

1-57
FEB 16 1922

UNIVERSITY OF CALIFORNIA LIBRARY
BERKELEY, CALIFORNIA

THE LABOUR MONTHLY

A MAGAZINE OF INTERNATIONAL LABOUR

Vol. 2

16th JANUARY, 1922

No. 1

PRINCIPAL CONTENTS

Our Trade Policy

By LEONID KRASSIN

The Road to Power

By J. T. MURPHY

Credits for Russia

By DOROTHY F. BUXTON

Working-Class Education

By MARK STARR

THE LABOUR PUBLISHING COMPANY, LTD.

6 Tavistock Square, London, W.C.1

PRICE ONE SHILLING

The Labour Monthly

Editorial Office:

39 CURSITOR STREET · E.C.4

Advertisement Office:

6 TAVISTOCK SQUARE · W.C.1

¶ The Editors of *The Labour Monthly* invite contributions. They cannot, however, be held responsible for MSS. sent to them, and can only return the same when stamps to cover postage are enclosed.

Subscription Rates:

[PAID IN ADVANCE]

Six months - 7/6 One year - 15/-

Advertising Rates:

Ordinary position, per page, £5 5s. and *pro rata*.

Special positions:

Inside Cover, per page, £8 8s. and *pro rata*.

Facing matter or "Contents," per page,
£7 7s.

The December issue completed Volume 1 of The Labour Monthly. The issues from July to December can be bound in cloth and returned post free for 4s. 6d. if sent to the Labour Publishing Company. Cases can be supplied for 3s. 6d., post free.

Bound Volumes, July to December, 1921, can be supplied for 10s. 6d., post free.

THE LABOUR MONTHLY

A Magazine of International Labour

VOLUME 2 JANUARY, 1922 NUMBER 1

CONTENTS

Notes of the Month	- - -	Page	3
Our Trade Policy			
	By LEONID KRASSIN	„	15
The Road to Power			
	By J. T. MURPHY	„	29
Credits for Russia			
	By DOROTHY F. BUXTON	„	39
Working-Class Education			
I. Britain	By MARK STARR	„	53
II. United States			
	By ERNESTINE EVANS	„	57
The Mexican Workers Under Obregon			
	By GEORGE N. FALCONER	„	64
Cartoons of the Month	- -	„	75-78
The World of Labour	- -	„	79
	International — Australia — France — Germany — India — Rumania		
Book Reviews	- - -	„	94
	A Posthumous Work of Rosa Luxemburg	M. P. P.	
	“Black” England	J. F. H.	

The Labour Publishing Company Ltd.
6 Tavistock Square
London
W.C.

70 VMU
ABSTRACT

HD4805

L3

v. 2

SECRET
SECRET

NOTES of the MONTH

*Our Aim—Why International Labour?—The Capitalist
Victory of 1921—And the Capitalist Defeat—Wash-
ington in Dissolution—Armaments and War—
Europe and the Vultures—The Menace of
the Irish Settlement—Is British Labour
Drifting?—Not Machinery, but
Will—The French Trade
Union Conflict*

WITH the present issue the LABOUR MONTHLY enters on its second volume; and the opportunity may be taken to glance a little at the work we are trying to do. That there is room for a critical review in the British Labour movement has, we believe, been established by the very generous reception which has been accorded to us on all sides, including quarters where we might appear to come in unwilling rivalry. The movement of this country is not yet so crystallised in form, and its thinking not yet so fixed and certain, that there is not need for the fullest examination and probing into all the questions of organisation and policy that confront us. Such an examination must be based on the fullest knowledge and understanding of the developments of Labour and Capital all over the world: because it is the dominant characteristic of the present period that it is international. It is in this sense that the LABOUR MONTHLY proclaims itself a Magazine of International Labour: not meaning thereby that it considers its function limited to the dilettante interest of reporting a certain aspect or department of Labour affairs, consisting mainly of congresses and hot-air resolutions, but meaning by that title to proclaim itself a Magazine of Labour To-Day and the modern problems confronting the Labour movement. The old national Labour movements, with their lack of co-ordination at home and abroad, and their limited scope, aims and organisation, have failed to meet the modern conditions of the post-war world. The workers in every country have found themselves at the mercy of a complex international system whose workings they could barely understand and

The Labour Monthly

were wholly unable to control. The new situation has inevitably produced its harvest of bewilderment and confusion and internal wrangling. At such a moment it is more than ever important to be able to look for a little while beyond the day-to-day controversies and conventional pronouncements, and to seek to understand the deeper underlying factors of the situation, the characteristics of modern capitalist development and policy, the new conditions of the working-class struggle as a whole, and the consequent lessons which alone will be able to convert the defeats of the past into the victories of the future. This is the task which the *LABOUR MONTHLY* has set before itself: and its accomplishment will depend on the co-operation of a sufficient public ready to be interested in the endeavour we are making.

THE recognition that international Labour means more than fraternal congresses has already led us far afield in the subject-matter of these Notes. At one time we have examined the world economic situation, at another the world political situation, at another the organisation of international Labour, at another the special problems of the British movement. But it is now necessary to gather these varying strands together and realise them as parts of a single whole. There is no greater danger than to consider separately the "Labour" situation and the world situation in watertight compartments. They have no meaning save in relation to one another as parts of the single working-class struggle which is the governing significant fact of the present epoch. The whole post-war world becomes only a meaningless nightmare of unreason if we are not able to grasp the central governing principle that runs through all its various happenings, the principle of the struggle of the old order and the new in the midst of a world in dissolution. Without that central grasp, the study of world economics becomes only a study in confusion, and the study of world politics a study in intrigue. But once given that grasp, we can begin to see our way clearly and to understand with a better sense of proportion our own parts and our own problems in the unfolding drama of the world. The British movement boasts sometimes of being insular; or sometimes its representatives will confess the fact with regret and will declare that it must ever

Notes of the Month

be so. But that statement is not true. In the actual experience of their lives the British workers cannot be insular. Whether in the million dead of yesterday or the millions of unemployed to-day, they find themselves, and will continue to find themselves, at the very centre of the workings of world Capitalism. If they fail to understand they will not for that suffer the less. Therefore they will have to understand, or the whole movement will go down. To learn to think, not in terms of this or that industry, but in terms of world Capitalism and the working class, is not a speculative proposition of the student, but a practical need of the hour.

WHAT, then, is the practical significance of 1921 in the working-class struggle and the development of Capitalism? Superficially, its most evident characteristic has been a world-wide victory of a capitalist offensive on a scale unequalled in modern history. For three years after the ending of hostilities the capitalist victors have devastated half a continent and paralysed the trade and production of the world in a way that has called forth deprecatory remarks from the most distinguished economists (echoed, unfortunately, by the simpler-hearted representatives of Labour, who trustfully thought they could lecture the economic ignorance of the world financiers and business men behind the Governments of the West). Whether this policy was pursued in innocent ignorance of its probable results or not, its results have certainly been successful in dealing with the revolutionary situation of after the war. Coolie standards in the conquered countries, famine in Russia and unemployment in the victor countries have all combined to drive back the workers and destroy their hopes; while the workers' organisations have been too disorganised, disunited and confused in aim to put up any effective resistance. This is undoubtedly the immediate lesson of 1921 for the workers' movements of this and other countries to analyse and master. But it is not the whole story of 1921. The process of defeating the Labour movements was completed by the summer of the year. It was in the spring that the last German workers' rising was suppressed; it was in the spring that the Triple Alliance collapse marked the culminating surrender of Western labour; it was in the spring that the Russians

The Labour Monthly

found themselves so completely deserted as to have to introduce the new economic policy and so close the first period of their revolution. The summer of 1921 saw the final extinction of the last long-drawn resistance of the West, the struggle of the British miners, deserted by the other workers and condemned and rejected by their own leaders. With the second half of 1921 a new period opens. The visible class-struggle passes into the background: and the victorious capitalist world turns to the settlement of its own internal problems. Washington, Cannes, the Irish Treaty become the questions of the day. And it is here that the other side of the picture becomes revealed. For here, in the very moment of their victory, the defeat of the capitalists becomes manifest. The world of the capitalists is discovered, not as an organised and united system, but as an armed camp of veiled hostility and intrigue, quarrelling and manœuvring over the division of the spoils: the economic organisation of the capitalists is discovered, not as an organisation at all, but as an unholy chaos to which none can find the solution. The capitalists may conquer the workers again and again for the time being; but there is one thing that they cannot conquer, and that is the vices of their own system. And that is why the working class will win in the end.

WASHINGTON and Cannes are a valuable barometer of the alarm of the capitalist world. A year ago it was not yet fashionable to admit the seriousness of the situation. Optimistic references to passing after-war difficulties, confident prophecies, like that of the Supreme Council, about the "sure signs of speedy recovery," and the dismissal of international political issues under cover of vague allusions to the League of Nations, constituted the approved point of view. But now, with the coming of the new international Conferences to save society, the journalists and statesmen have made a sudden discovery, which speaks more for their agility than for their honesty. They have discovered that the world was really on the edge of a precipice, at the very moment when they were singing hymns to the return of normality. They announce that Washington has saved us by a hair's-breadth from the immediately impending horrors of renewed world war; and that

Notes of the Month

the proposed European Economic Conference is the only hope which stands between Europe and complete financial and economic breakdown. It is hard to recognise in these new prophets the same men who exactly a year ago were calculating the precise proportions in which a German indemnity of eleven thousand three hundred million pounds was going to be paid each year for the next forty years. But this sudden change of front points to two interesting conclusions. The first is that in all their previous pronouncements these leaders of opinion now virtually confess themselves to have been either incredibly ignorant or manifestly dishonest. The second conclusion is still more interesting. It is that if, as they tell us, the new International Conferences are the only hope that stands between Western civilisation and the precipice, then the failure of these Conferences can, inevitably, have only one meaning. And that the success of these Conferences will not depend upon loud professions of their success has already been made clear from our first conclusion.

NOW, the striking thing about Washington is that the expressions of failure have this time accompanied the Conference instead of merely following it. The chorus of praise has been flat and mechanical: the breaking in of discords has been increasingly sharp and jagged. It was at the height of the submarine controversy that Christmas interrupted the disputants. For one day the Committee stood adjourned, while conventional toasts of friendship were proclaimed in stereotyped speeches, which were reported in about half a dozen lines. Next day the Committee resumed its controversy with greater bitterness than ever; and streaming headlines announced the breakdown of the negotiations. This episode is typical of the Conference as a whole, alike in its velvet padding and in its claws beneath. The achievement of the Conference has been visibly whittled away before the eyes of the public, until the Press in desperation has had to declare that the real positive achievement of the Conference is not to be found in any actual decision, but only in the "new spirit" evoked. What were at first loudly acclaimed as the triumphs of the Conference, the Four-Power Pact and the Limitation of Armaments, have each been revealed on analysis as pasteboard dummies.

The Labour Monthly

The Four-Power Pact has sometimes been referred to as a guarantee of peace in the Pacific. An examination of its text will disclose that it is nothing of the kind. It is a regional understanding for the mutual recognition and protection of "insular rights and dominions" in the Pacific. But the real controversy of the Pacific on which any question of future war will arise is notoriously China and the mainland. And China and the mainland have deliberately been excluded from the scope of the Pact. One of the original drafts of the Agreement actually contained the phrase "littoral possessions in the Pacific." And, according to a Japanese newspaper, it was Mr. Hughes himself who struck this out. America was prepared to humour Britain by entering into a bogus Quadruple Entente (it was President Harding who assured the Senate that it involved no international obligation whatever) as the price of securing the formal termination of the Anglo-Japanese Alliance. But America was not going to have her hands tied in the future issues of the coming war. The significance of the Four-Power Pact was well enough summed up in the words of the *New York Tribune*: "To have terminated this dual compact without offence either to Japan or Great Britain is a diplomatic achievement of great importance."

AS for armaments, the dissolving of the first fine vistas of the "Disarmament Conference" (as books of reference for 1922, having been written in the early autumn, still touchingly call it) has been conspicuous to the world; and it is unnecessary to add comment to the simple procession of events. The original proposals of Mr. Hughes were a sufficiently peculiar form of reduction, as those who studied the American naval and military journals had occasion to know. These organs regarded the proposals with considerable satisfaction as representing an increase and not a decrease. "These proposals do not contemplate a reduction in the navy now in commission," wrote the *Army and Navy Journal*: "as a matter of fact the prescribed allowances of Mr. Hughes for the United States are actually greater in total tonnage than the ships now in commission." But even so, these proposals were heavily increased before

Notes of the Month

they were adopted; and Great Britain found herself involved in a new expenditure on capital ships of £22,000,000. "It is obviously illogical," wrote the *Times*, "for the Powers to continue to spend large sums of money on battleships which they sincerely hope never to use. But the life of nations, as of individuals, is compounded of illogicalities." The "illogicalities," however, did not end there. As soon as the "reduction" of capital ships had been completed, the vital question of submarines followed and Britain found herself alone against the world. The surprising eagerness of this array of Allied Powers to extend and develop such an obviously anti-British weapon was distressing to the British. "The desire," wrote the *Daily Mail* in its thoughts for Christmas, "shown by members of the Allied Committee other than the British at Washington, to retain the submarine comes a little strangely at this season of friendship and mental disarmament." But Britain raised her protest in vain. The spectacle of the naval Power responsible for the blockade protesting against the inhumanity of the submarine might rouse the *Manchester Guardian* to enthusiasm for "the better England" ("it is a long time since our foreign policy has given Englishmen so much to be proud of"), but it had little effect on the outer world, who appeared to regard it, in the phrase of one well-known correspondent, as "no more than the gesture of Ariosto's Orlando, who cast into the depths of the sea as an 'abominoso ordigno' the first culverin fired against his invulnerable person." The British proposal for the abolition of the submarine was unanimously rejected: and even the nominal limitation of their building was, on French pressure (once again curiously unopposed by America), abandoned for some hypothetical future conference. Thus the net upshot of the Washington Conference for the limitation of armaments has been to determine the increase of effective armaments: while the bitter controversies aroused in the course of its proceedings, and the spectacle of the various nations "eagerly pegging out claims to a higher proportion of means of destruction," has served to concentrate public attention on questions of armaments, treaties and strategy, as in the days of the Armed Peace, and in this way to intensify international animosities and prepare the psychology of the next war.

The Labour Monthly

WITH the completion of Washington the time has come for the new triumphs of the European Economic Conference. The desperate situation of the victor countries of the West is sufficiently revealed in their budgets. The British revenue returns for the nine months up to the end of the year show a deficit of sixty-three million pounds, as contrasted with a surplus of forty-six millions in the corresponding nine months of 1920. That is the measure of the progress in recovery during the past year. In France the national debt on New Year's Day amounted to 328 milliards of francs, as against 27 $\frac{3}{4}$ milliards before the war. But the most striking fact about this gigantic debt is that the greater part of it is not war debt, but post-war debt. The four years of war added 143 $\frac{1}{2}$ milliards to the national debt. But the three years of peace have already added 146 $\frac{1}{2}$ milliards more. In other words, the recklessness of French finance has grown greater since the peace than even during the war. The peace has cost more than the war. Under these circumstances it is not surprising that the statesmen and business men of Britain and France should begin to cast about for means of exploiting the ruined areas of Eastern Europe in order to save their own desperate situation. So arises the proposal of a European Financial Corporation to administer the "derelict" countries of Eastern Europe in the interest of the bond holders of the West. But this scheme, even if there can be sufficient agreement to carry it out, omits certain factors in the situation. In the first place it omits, as all capitalist and financial schemes must do, the populations concerned. To subject the workers of the new States of Eastern Europe, and to endeavour to subject the workers of Russia, to the grip of a vast exploiting corporation, is to weld these nationally divided peoples into a united proletariat against the imperialism that exploits them. To hold them in will mean a task of policing greater even than the present system already entails, and that will mean the maintenance and even the extension of the present unparalleled scale of military expenditure and the consequent piling up of new burdens of debt. But already the interest on the existing debt in France amounts to some sixteen milliards of francs, and the total revenue from taxation last year was only twenty-three milliards. And a time may come when the

Notes of the Month

workers of France and Britain will begin to question whether this system is to their advantage. More immediately than this, there is another factor which is left out of account, and that factor is America. America has so far ostentatiously kept aloof from these European economic schemes, and it is America that holds the financial whip-hand of Europe. American economic penetration of Europe is the reality of the present situation, which is not likely to allow any Anglo-French-German combine to get in its way. Once again the capitalist world finds itself torn by its own dissensions. The consolidation of the capitalist world may come through the concentration of power in the hands of America (though that will involve a war first): it will not come through the international understanding of the capitalists.

ONE direction remains in which the capitalist ruling class is in prospect of achieving a limited piece of reconstruction with a larger measure of success. That direction is Ireland. Many things have been said about the Irish Treaty by Labour spokesmen, from expressions of vague approval in terms of liberal statesmanship to expressions of vague denunciation in terms of international revolution. Yet the simple and immediate significance of the Treaty issue to the working class has still not been adequately stressed. The Lloyd George-Griffith Treaty, if it is ratified and put into effect, means the coalition of British and Irish Capitalism against Labour. It does not mean the freeing of the nationalist stage for the Labour struggle. It means that the nationalist opposition will continue in the form of the irreconcilable republican followers of De Valera; the Government will be carried on by the Griffith-Collins group in friendly co-operation with British imperialism; and the Labour movement will be effectively paralysed between the two. It will be the story of South Africa over again. Collins and Griffith will be Botha and Smuts. De Valera will be Hertzog. And as the South African Labour movement was crippled by those means to the benefit of British capitalist imperialism, the same danger will hang over the Irish Labour movement. Ireland will become the happy hunting ground for foreign capital, under the benevolent protection of the Free State eager for the development of

The Labour Monthly

national industry, and with the imperial forces of Britain in the background. To those who may think this picture overdrawn, we would recommend the words of Mr. Garvin in the *Observer* as the words of one who has had as large a share as any in the promotion of the settlement. "There is no doubt at all," writes Mr. Garvin, "that low taxation will attract capital to Ireland for investment in many kinds of new industrial enterprises. . . . There will be money to be made in Ireland, and accordingly money will flow into it. . . . Ireland's Labour troubles in the nature of things will be less grave than in many other countries. We hazard the prediction that the instinct for prompt executive action against disorder will prove as strong in Nationalist and agrarian Ireland as it is in France." Low taxation, foreign capital, cheap labour, and strong executive action—that is the halcyon prospect held out to the capitalist world by the Irish settlement. The British workers will be blind indeed if they do not recognise it for the danger that it is to their own movement as much as to the working-class movement of Ireland. It is not for nothing that the Irish Free State, if it is inaugurated, will be inaugurated with Jim Larkin in prison.

WHETHER they succeed or not in their various plans, the capitalists are at any rate visibly busy on every side endeavouring to reorganise their world, using the present opportunity to thrash out their problems and launch out into new solutions of every kind. What is the Labour movement doing on its side to reorganise its forces in the light of the weaknesses revealed in the past period, and to prevent the recurrence of past disasters in the future? Is it content to watch from a distance the outer show of Washington or the latest reparations crisis, instead of concentrating on its own problems? Will it continue to wait on events and suffer whatever comes to happen, while the Union membership steadily diminishes and the Union finances disappear? Seven and a half million pounds have been spent by the Trade Unions on unemployment benefit in the year ending September. Three hundred millions have been lost in wage-cuts during the past year. Was the seven and a half millions spent in the best way if this was the result? But if the surrender of the Unions last

Notes of the Month

spring without a fight is now bearing disastrous fruit, what steps are being taken to prevent the recurrence of disaster? We confess there is little sign yet of any real overhauling of the machinery. Controversies there are in plenty, and minor changes, too. The General Council has been inaugurated in the interval; but so long as that means only the rechristening of the Parliamentary Committee it will not make a difference. We notice a proposal now arising from the engineering and building trades section to entrust the General Council with directing power in the case of disputes of a constituent body affecting general standards. We welcome that proposal, although in the immediate future to hand over any movement to the General Council will probably only be to put the extinguisher upon it; because none the less it is a step in the right direction, since the concentration of power of the whole movement for united action is an essential need. But how far we are yet from such a concentration of power or unity of action, if we contrast the terrific concentration of power on the other side in the Modern State!

THE problem is not merely one of organisation. That is a fact which has got to be openly stated and faced. It has been the fashion in this country to discuss all the problems of the movement as problems of organisation. The rival theories of Trade Union organisation, of craft and industry, branch and workshop, locality and national centre, delegate and official control, have reached a pitch of complication that has become a fine art. And all the time the movement has met the most elementary current issues with the most childish blunders. We are sorry to go counter to received opinion, to what is indeed the common assumption of both sides in existing controversies: but the facts as we see them must be stated. We do not believe that the central problem of the movement in this country is the problem of organisation. The best organisations in the world are useless if there is confusion of aim and policy. The worst organisations can be made to work, if there is the will to work them. The central problem of the movement in this country is the will of the working class. Until that will is clear and certain, nothing can be done: once the will is there,

The Labour Monthly

not as a vague wish, but as a consciously directed purpose, other difficulties can be easily tackled. In this connection the Thomas case, which we should not otherwise have wished to mention, because the movement is already too much obsessed with personalities, is of importance because of the larger issue that it raises. The larger issue that has been raised by the Thomas case is the issue of loyalty to the capitalist State or to the working class. The occurrence of that issue was not an exceptional incident: it will arise again and again in the future with more and more insistence. Until that issue is settled, no progress can be made.

THE long protracted conflict in French Trade Unionism has reached another stage by the holding of the Left Wing Congress at Paris on December 22-24. The continued protraction of the conflict and the repeated postponement of the final crisis, however damaging it may be in other ways, does at any rate augur well for the strong desire of the French workers for unity, in spite of whatever may be wished by the more irreconcilable leaders on both sides. Nevertheless the situation is serious enough. Since the Lille Congress last September, where the Right Wing had a narrow majority of 1,572 against 1,352, the Executive have been using their position to expel recalcitrant Unions, sections and individuals who have persisted in adhering to the Left Wing grouping organised in the Revolutionary Trade Union Committees. The Left Wing summoned a Congress at Paris which revealed, if their figures are correct, that they have now become the majority in the Confederation. They sent a deputation to the officials to plead for unity and the cancellation of the expulsions. The officials, however, refused to see them. At the same time the Red Trade Union International appealed to the Amsterdam International for a joint conference with both sections on behalf of unity. There is, however, no sign yet of any outcome of this. Meanwhile the Congress, having been met with a point-blank refusal, has proceeded to organise its own membership and to elect a provisional executive. The official Bureau has declared it by that act outside the organisation. Thus the split is very near complete realisation: but there is still hope of some change in the situation.

OUR TRADE POLICY

By LEONID KRASSIN

(In a lecture delivered at Berlin in the autumn and now published in the current "Russische Korrespondenz," Mr. Krassin has given an account of his stewardship of Russia's foreign trade relations, from which we take the following extracts.)

§ 1—*The Last Days of Capitalism*

I AM not one of those who think that European Capitalism has emerged from the mortal throes of the crisis into which the imperialist war plunged it. After eighteen months' observation of social affairs abroad I see no substantial recovery. The rupture of international relations was little felt during the war, but a period has followed in which the State can no longer feed the capitalists with subsidies, and the abyss into which the war precipitated capitalist industry has been disclosed. It has proved impossible to restore the economic relations which bound the world together before the war, and in consequence factory after factory closes down and unemployment grows; even bourgeois economists can show no way to bring the capitalist world organism out of its catalepsy. I believe that Europe is going slowly but surely towards catastrophe and revolution. World Capitalism, despite its utmost exertions, despite its armed intervention in Russia, has not only failed to extinguish the forces of the revolution, whose fires we lit, but is unable even to recover its own stability, wrecked by the dislocation of the war.

I am of opinion that Capitalism has received a mortal injury, and can never regain its pre-war strength and vitality. But it is impossible to calculate the rate of its disintegration, and in our present policy we must be guided by the facts of to-day and the prospects of the immediate future. I cannot base my political measures, my diplomacy and finance on the supposition that the Socialist Revolution will break out, say, in

The Labour Monthly

December in Germany or America. I have no data and cannot risk a false estimate.

We must recognise, therefore, that for the present we are perforce living in an environment of unfriendly capitalist States. We must be continually on the alert, and must never forget that we are surrounded by enemies ready to seize every opportunity to do us an ill turn, whether in trade or war. Our external enemies watch carefully every event in our internal affairs, and will take advantage of the least sign of a weak spot, not merely to injure us, but to destroy the Soviet power, which flaunts like a red flag over the world, points the way to the international proletariat and threatens the existence of the capitalist order. And still we must work in the midst of these implacable enemies, and enter into business relations with them, because without them we are unable to live and to restore our agriculture.

It is no light task, and the question arises whether we can cope with our opponents. In March, 1920, when we concluded our Agreement with Sweden, we had only hypotheses to go on: if we made the attempt there might be a chance, despite the irreconcilable hostility between Capitalism and Socialism. Now, after eighteen months' experience, we can show the positive results of very considerable imports, and latterly a quantity of exports.

§ 2—The Fundamentals of Russia's Trading and Industrial Policy

Needless to say, in our policy we never lose sight of our great purpose, the maintenance of the dictatorship of the proletariat, the maintenance of the Soviet power. This purpose can only be achieved by setting certain limits to our concessions to the peasantry and the small capitalists. What are these limits? They are determined by the necessity of adhering to a co-ordinated scheme of production. We have no thought of a complete return to Capitalism, a re-admittance of the vicious elements in Capitalism which hamper the productivity of Western Europe. We do not dream of restor-

Our Trade Policy

ing the anarchy of capitalist production, with no one to regulate the various branches of industry, with each company in sovereign control of its own works and producing, not on a State-co-ordinated plan of production, but on the vague indications afforded by the state of the market and the rise and fall of prices. None of us dreams of a return to such conditions; if we did, if we restored private ownership, the war of Russian liberation would have been fought in vain, and in the post-war period we should succumb to the insane dissipation of energies which this system entails.

For the peasantry and for the small industries we are deliberately making certain concessions. But in the field of large-scale industry we adhere rigidly to nationalisation, to State Capitalism. We are retaining transport absolutely in the hands of the State. Under no circumstances can we turn over our railways, etc., the foundation of our industry, to private capital. Foreign trade also we are retaining in our hands. Nationalisation in these three fields, large-scale industry, transport and foreign trade, and a State-controlled scheme of production—all under the direction of the proletarian dictatorship—these are the unalterable basic principles of the Soviet State, with which we can dispense under no circumstances. We shall defend with our last drop of blood these central pillars of our system. Only with the destruction of the Soviet Power can they be brought down.

I will only deal now with the reasons why we cannot denationalise foreign trade. In view of our country's exhaustion, of the shortage of all necessities in Soviet Russia (and not only Russia: conditions are even more inhuman in Austria, for instance, as regards food and warmth), to permit unrestricted foreign trade would mean the complete ruin of the country. The importer of foreign goods could suck Russia dry in a month, as has been done in Austria, where in consequence of the exchange, which is little better than our own, everything can be bought up for a few pence, and trade and manufactures, museums and palaces are passing com-

The Labour Monthly

pletely into the hands of foreigners. Under no circumstances can the Soviet Power permit this, and so long as we have a soldier left in our Red Army our frontiers will remain closed to the robbery of uncontrolled trade.

We can only carry on our foreign trade as a national concern, controlled by the Departments of State. We may permit the co-operatives to take part in it, but they will in any case be required to act in accordance with a rigorously defined State scheme. There are many articles which we will not import under any conditions. Spirits and articles of luxury will not be permitted to cross our frontiers, even if the villagers demand them. Our exports also must be under our control, for we are concerned to obtain the maximum prices for our timber and our petroleum and minerals. We can only secure this by setting up our own trading apparatus, and barring out the foreign speculators who would buy us up for a few farthings.

§ 3—Concessions—The Negotiations with Urquhart

Still more important than our present foreign trade relations are the concessions under negotiation. . . . Many concessions are under very serious discussion, and we are probably on the eve of the conclusion of a number of contracts. I will deal with one of them—an agreement contemplated with a British company, the Russo-Asiatic. This company became the owner of the Kishtym works in 1916, having bought them as bankrupt iron works. Englishmen came to Kishtym in 1906 and began boring operations. They made tens of thousands of borings, explored the mineral wealth of the whole district and satisfied themselves that it contained enormous deposits of copper ore, though with a low percentage of mineral. The purchaser was Leslie Urquhart, who has been active more than twenty years in Russia. Originally he was British Consul at Baku. He is a mining engineer by profession. During the Armenian-Tartar massacres he was roughly handled and narrowly escaped death. He gave up

Our Trade Policy

his activities in the petroleum industry, returned to England, raised extensive capital, and commenced operations in the Urals.

When we occupied the Urals and nationalised the works there, his concern was nationalised with the rest. He was then in Petrograd, and left Russia with Francis and Buchanan on the imposition of the blockade. He speaks Russian very well. He once said to me: "I always maintained that the intervention is a folly: you must be defeated with shoes, grain, foodstuffs, and so on." (Whether that is so remains to be seen.) "What could I do?" he continued; "I was not in your favour, I had to be with those who are fighting you." He returned to Siberia when Kolchak occupied it in 1919, and resumed production in works in Siberia and the Urals. When, however, the fortunes of war went against Kolchak he returned to England, where he was our bitterest enemy and the soul of the intervention. He has an excellent knowledge of Russian conditions, and is an extraordinarily energetic business man with extensive financial and business connections.

On my arrival in England to commence negotiations, Urquhart said: "I will not allow Krassin to do any business. If he brings money with him I will get an order for its attachment; if he brings goods I will have the steamers seized, for the Russian treasury owes us £56,000,000." As you know, the British courts, after the signing of the trade agreement, did not share Urquhart's view, and disallowed a number of claims put forward by other persons, or perhaps put forward by Urquhart through men of straw.

On my return to London from Moscow on May 30, a gentleman called on me and asked whether I would discuss business matters with Leslie Urquhart if he called.

"He wishes me first to ask you, as he has written against you."

"That," I said, "is of no importance. There are many people who have brought artillery and machine-guns against

The Labour Monthly

us, and who are now serving in the Red Army. Ask him to write to me."

"Is a letter absolutely essential?"

"It will be difficult without it; the Press would be able to report that the representative of the Soviet Government was seeking interviews with So-and-so."

Next day a letter duly arrived, requesting an interview. I wrote agreeing, and we met on the following day.

"Well," I said, "what do you propose?"

"We must find a way of working together," he replied.

"We, too, think working is better than fighting."

"The question is," he said, "whether it is possible to work with you. You are taken up with Utopias, putting the theories of Karl Marx into practice in defiance of human nature."

"It is hardly worth while," I replied, "discussing Marx with you. Let us talk business. I will give you an account of the Soviet concessions policy and of the work of the Extraordinary Commission for Army Supply. I will tell you how, with our wretchedly limited means and our lack of experience, we managed none the less to get enough guns and ammunition to see you home from Archangel"—and so on.

We had a very thorough discussion, and, as is my habit, I made no secret of the drawbacks and difficulties. Experience has shown me that it is best to give foreigners the whole story: I do not, for instance, hide the fact that our local authorities sometimes do the opposite of what the Central Administration directs, that this has happened in every province, and that we are only gradually getting everything into order. Nor do I omit that if I had breathed a word about concessions in 1918 I should have fallen into the hands of the Tcheka, whereas the Soviet Congress has now pronounced in favour of them, or that the farther the war recedes into the past the better progress we make towards ordered conditions.

"What is the good," I said to him, "of sitting stranded

Our Trade Policy

here? Here you have been for three and a half years with no incomings, no dividends, and no hope of any."

"You must restore," he said, "the right of private property."

"No," I said, "under no circumstances will the nationalisation of large properties be rescinded. No Government which would dream now of restoring landownership in Russia would survive. The peasants will revolt against Lenin and Trotsky themselves if they attempt anything of the sort."

"Oh, yes," he said, "the confiscation of the manors is all right, but the factories——"

I replied that if I were talking with the Junker Count Lvov he would say, "Don't give a penny back to the pot-bellied capitalists."

After an exhaustive discussion we had the measure of our difficulties. I ventured gently to suggest to Urquhart a fear that the Ural miners might be tempted to pay him back for the part he took in their repression during the Kolchak offensive. If so, it would be better for him not to show himself there for a decade or two. He replied, however, that he was on good terms with the workers, and that work would soon hum if he arrived in the Urals with a few trainloads of food-stuffs, footgear, etc.

"There is sense in that," I said, "and as to the restoration of private property, you had better leave that alone. What, after all, would be the use of property rights in Kishtym while we refuse to turn over to you the railway, telegraph, and steamship connections, of which you had the use under your agreements with the Tsarist Government and with Kerensky? Will you get to your works by Zeppelin, or how?"

"Ah, well," he said, "there is no getting ahead except by agreement. What else are concessions?"

He then said, "I am going to-morrow to Paris to see Noulens." (Noulens was French Ambassador in Petrograd, and since 1919 has been president of the Association of the British, French, Norwegian, Danish, etc., Creditors of Russia.)

The Labour Monthly

"I have been acting all the time in concert with these people," he continued, "and now that I want to alter my tactics it is only honest to go to them and say openly, 'I am going to the Bolsheviks, and if you wish I will help you to get into touch with them. If not, then goodbye, for our ways part.'"

I heard later that Noulens told Leslie Urquhart that unfortunately he could not join him, as he refuses to recognise the Bolsheviks, "because the Bolsheviks refuse to recognise the national debt." I said to Urquhart that that was no misfortune: "If you come to terms with us, even without Noulens, the time will come when we shall talk with Noulens himself."

The general terms of the concession were settled, and Urquhart asked for a definite decision by June 5 or 6, as a meeting of shareholders was to take place about that date. I will not go into the details here; a final agreement has not yet been reached, but the Council of Commissaries has approved the terms in principle.

Leslie Urquhart came to me on the eve of the shareholders' meeting, and told me his doubts as to its result. The shareholders might be dissatisfied with my omission to describe him as owner. After our talk he was quite in agreement with my attitude, but asked for a concession for ninety-nine years, while I was only ready to agree to thirty-five or forty years. Finally he said: "Take our ownership and £500,000 with it. For that you ought to let us have a few decades longer." I replied that he could discuss that with Moscow, but for my part I must not go any farther.

A second difficulty was that the Soviet authorities had found in these works a working stock of metals, clothing, footgear, instruments, etc., which had mostly been nationalised. He would have, therefore, to begin by sending dozens, perhaps hundreds of trainloads of all these things to Russia, and for this purpose he would need a credit of fifteen to twenty million gold roubles from the Soviet Government to provide working capital. I replied that this was out of the

Our Trade Policy

question, as we have no money, or if we have a little there are many other calls upon it; he must go to work on that basis. This was the greatest difficulty. He said to me that we ought at least to make a show of compensation. I agreed that a show could be made! In the end we agreed to send a commission to Kishtym to determine from the evidence of witnesses what sort of a stock is still there, and what has been requisitioned by the Soviet Government. "As for Kolchak's damage, you must arrange with him." Assuming the commission to estimate the losses at twelve million roubles, he asked whether the Soviet Government would be prepared to give an undertaking to restore this sum, possibly by deductions from its share of profits. "I don't know," I replied, "it may be that the Government will give this amount in Soviet roubles. You will need them for Russian business."

Before the meeting Urquhart came to see me and said, "I must tell you frankly that I cannot be loud in your praise at the meeting; on the other hand, I am afraid of upsetting things by giving offence at Moscow through too violent attacks. So I have brought you my speech to look through, to avoid bloomers." I found in the speech an attack on Karl Marx as the propounder of theories which fly in the face of nature. I let it stand—it does not hurt us. He was afraid that his speech would not get a good reception, but as it happened it got an excellent one. It was a perfect triumph—the shareholders are so hungry for coupons, they have so lost faith in intervention, they long so for those mines in the heart of the Soviet territory. They were enthusiastic and overjoyed at the chance of negotiations with the Soviet Government.

§ 4—The Rationale of Concessions

I must say that I attach great value to these negotiations over concessions. Kishtym has copper that is essential for our electrification plans. But the prospects opened up by the re-orientation of our foreign policy are not confined to these negotiations. We must make provision for the importation

The Labour Monthly

from abroad of the things we need to re-equip our agriculture and transport and industry. Personally I think that in any event, even without entering into close relations with the outside world, the Soviet power is going to endure; I do not believe that any forces are to be found within our borders which could overthrow the Soviets. But without foreign concessions we should be condemned to great privations for years to come, and should have a heavy task in reconstructing our economic organism after the destruction of the war. Our reconstruction is a matter of long years. It may be that famine will threaten us in a whole series of areas; that whole industries will be in danger of extermination; in a word, that there is a painful and tedious process, decade long, ahead of us. We want to do what we can to avoid it. We want to rebuild Russia in five or ten years. And this early reconstruction will only be possible if we succeed in reaching an understanding with the capitalist world that will put into our hands the financial and material resources for reconstruction.

"What are these fairy-tales this Utopian is telling us?" many a comrade will ask. "Is it not nonsense to suppose that the enemy at our gates will help us?" And yet I believe there is sense in this apparent nonsense. Of late years our whole life has been made up of paradoxes of this sort. The whole situation in Europe since the war, the whole state of semi-war, semi-peace that Russia is experiencing, is one huge paradox. It is one of these absurd paradoxes that the victorious group of imperialist countries is suffering from an exceedingly acute crisis in consequence of the dissolution of trade connections. And as the conquered group, though saved from the Russian experience of civil war, is unable to make good its economic recovery and has no means of paying its debts, even the countries like Holland, Spain, etc., which remained neutral in the war, are unable to keep their industry going, as they can find no markets. Consequently we have this absurd state of things: ploughs, locomotives, motor-lorries, tractors, clothing and foodstuffs stored up in enormous quantities, spoiling, rusting, rotting, and, of course,

Our Trade Policy

getting out of date. If I build tractors and they remain on my hands unsold for three years, in those three years new models appear. My tractors are entirely unused and perfectly new in a material sense, but morally they have become old; and for all I know a much better system may be discovered in three years, so that my tractors will be unsaleable and fit for nothing but breaking up.

Every Western European capitalist and manufacturer who comes into our London office starts off by saying that the situation in his industry is appalling, that they are on the brink of an abyss, and have no hope of recovery except through the Russian market. I reply, "Very good—we want your goods, but I am sorry to say I have no money to pay for them." It is an absurd situation, and the only way out is through the organisation of international credit.

I had a talk recently with Lord Robert Cecil. I said to him, "Your institutions have lost all authority: you wander from one question to another and get nothing done. Why shouldn't you take over the business of supplying Russia with a colossal quantity of agricultural machinery? Here are your warehouses packed with these things. They are deteriorating on your hands and you can get nothing for them. Consider this scheme, for instance:

"Suppose a manufacturer has two thousand tractors. You come along, or an international company comes, and you say to him: give us five hundred of your tractors on five years' credit. We will take another thousand from you for twenty per cent. cash or short-term securities or bonds carrying interest. You can keep the remaining five hundred in store and place them on the market for private sale—with the same success as you have had with your whole two thousand in the last three years. You will have the consolation then that you have five hundred still in stock. But if these three-quarters of your stock have been thrown into Russia, Russia will begin earning, and if Russia earns, if the 130,000,000 of her population who are now starving and freezing for

The Labour Monthly

want of these things begin to work, in five years time we shall inundate you with grain and eggs and so on, and there you will have a splendid market opened up."

The noble lord said it was an exceedingly interesting scheme, but hardly feasible.

"Quite so," I said, "because you are consummate masters of one thing only—fishing in the troubled waters of somebody's war, Turkey and Greece or what not. Your world turns on the principle that all men are enemies, and it is hard for you to break away from this principle. But you will be compelled to by your own manufacturers." . . .

I will give another instance. I was called on by representatives of the British shipbuilding industry. They came with the proposal to supply us on credit with the ships we need, and explained that the greater the orders were the easier it would be to procure the credit. "For," they said, "if you give us orders for a million or so, that will satisfy one company, but there will still be fifty thousand people left in the cold. But if you will take a large credit at a long term the matter becomes of importance to our whole industry. We can put pressure then on the Government, and tell it that it managed to find £100,000,000 to support Kolchak and Denikin, and now it has got to find £50,000,000 to support the British shipbuilding industry and to enable it to give credit to Soviet Russia."

I said their argument was unanswerable and their Government would have to find the money. "But," I said, "there is another difficulty we have to face. Let us suppose that the estimate for the merchant fleet, eighteen or twenty ships for the Black Sea, twenty for the Caspian, and so on, comes altogether to £15,000,000. What is the use of all these ships unless at the same time, indeed, before they leave the slips, we have ploughs and threshing machines and all the daily necessities for our peasants? We should have practically no freight for these ships. Thus the only practical plan is for us to have not only a credit of £15,000,000

Our Trade Policy

from you for a merchant fleet, but simultaneously a further credit of the same amount for the purchase of agricultural implements and articles of general consumption."

Then I had to go, and the manufacturers' representatives returned to Glasgow to discuss my proposal. I have since been informed that my proposal is agreed to, but with the condition that the goods shall be purchased through them. Naturally we cannot agree to the proposal in this form, but we have already a basis of agreement.

I have mentioned all this to show that plans of credit operations are being broached on all sides. This shows that the matter is one of vital importance, that it is not a question of diplomatic finesse, but simply and purely that Western European Capitalism cannot find a way out of its difficulties except through a combination with Soviet Russia. I will go a step further. I believe I can say without being Utopian that we shall get our loan, and, first of all, from no other source than France

We must give the most careful and thorough consideration to every opening and determine the limits of our possible compromises and concessions. Certain concessions are naturally possible. It is clear that if France begins to negotiate for a credit it can only be of use to us if it is a matter of three or four hundred million gold francs, for we need a great deal of money for our national reconstruction. Needless to say, a sum like that will not be given to us for love. The question of guarantees will be raised, and the recognition of past debts. We must be clear as to this in our own minds. We have never refused to discuss this matter. Tchicherin's note of February, 1919, declared that we are only ready to discuss the debts in return for the political recognition of the Soviet Government, for a real and lasting peace, for the opportunity to end the concentration of our production on the war and the Red Army—which we only created under the pressure of necessity. Those are our conditions. No negotiations about the debts without recognition of the Soviet Power.

The Labour Monthly

I believe our political recognition will come from France before England. English politics always follow the paths of compromise; they began the paving of the way to peace with negotiations with the co-operatives, and so on. France holds fast at present to an irreconcilable policy, but if the ice is broken its recognition of the Soviets will probably come before England's. The whole business has no interest for us until France can guarantee us a fresh loan for economic reconstruction. In a word, it is purely a business matter, and we must force our Communist heads to think seriously about these questions, for I am quite convinced that within a few months we shall have to discuss the question of our concessions. Naturally it will not be the simplest of matters to get trainloads of materials exported to us; the question of guarantees is bound to come up. Our answer is very simple. Since our paper money is valueless we must consider whether we will allow the international syndicates, if not a monopoly, at all events priority in handling our raw materials: this would be of considerable interest to them. Then a whole crop of questions will arise concerning internal administration, relations with local authorities, etc. You see that these questions lead not only to theoretical but practical considerations, both in our internal and external policy.

Our country's natural resources are enormous. We have inexhaustible deposits of fuel and ore. We have a population of 130,000,000 souls. We have the people that produced Tolstoy and Mendeliev. With the dictatorship of the proletariat, the nationalisation of large scale industry and the nationalisation of foreign trade we shall overcome our economic troubles as we have overcome our military troubles.

THE ROAD TO POWER

BY J. T. MURPHY

THE crisis in the Trade Union movement of Britain widens and deepens as the employers deliver blow on blow at the wages, the hours of labour and the factory conditions of the workers. The Unions are losing their members by thousands every week. Many are bankrupt and many are on the way to bankruptcy. Despondency is everywhere. Almost all the workers feel the hopelessness of the limitations which restrain their movements within the orbit of any single Union or group of Unions. The old trumpeting of the Union leaders has gone. They are beaten to a frazzle.

The situation is indeed serious. Ever since the memorable Black Friday of April, 1921, Union after Union has been swiftly put hors de combat. The shadow of that fateful day hangs like a pall over the movement. We cannot escape it. Dodge, twist, turn as we may, no sooner do we attempt to think out any ways and means of struggle against the forces of Capitalism than back we come to April's fiasco. Until that crisis is fully appreciated and its implications thoroughly understood, no apology is necessary for referring back to that period and the discussions arising out of it.

Most of the writers have dealt with the event as with an ordinary Trade Union failure in a strike situation, expounding on the weakness and strength of the respective forces and organisations in the struggle. Black Friday contains more than a lesson in the organisational weaknesses of such bodies as the Triple Alliance. More important than any debate upon whether the railwaymen should ballot before a strike is the lesson conveyed in the psychological shock it administered to the working-class movement of Britain, leaders and

The Labour Monthly

rank and file alike, as they were brought face to face with the realities of a new epoch.

They had refused to see the world significance of the Russian Revolution and had never understood the rôle of their own organisations in the struggle of the classes. Born, nurtured and trained in the period of developing and expanding Capitalism, never understanding Capitalism, they drifted into the new era with an outlook totally unfitted for the responsibilities they had and have to face. For the first time the leaders were brought up against the fact that the ordinary issues of Trade Unionism were swiftly precipitating them into revolutionary situations for which they were not prepared. "Wolf" had been cried many times, but here it was upon them. The challenge of the Councils of Action on the occasion of the threatened war on Soviet Russia was looked upon as something exceptional with no special bearing upon ordinary Trade Union problems. *This* crisis, however, arose out of their own economic problems, and it appalled the leaders. It was a crisis wherein the whole working class were being marshalled into a position which went far beyond pressure upon the employers to a direct challenge to the capitalist State. This was no Parliamentary debate. It was a challenge of class forces and class institutions, the capitalist class and its Parliament versus the working class and its organisations. The failure of the leaders of the workers, entangled in "reasonable settlements" and nervous panic, demoralised the movement and produced a condition in the ranks of organised Labour, which can best be described as a condition of "vertigo," wherein none knew whither they were going.

From this condition the movement has not yet recovered. The leaders are still pursuing their ordinary round of activities, either anxious and worried because they find themselves so hopelessly beaten by their own limitations, or scheming to save their own skins. The masses, equally bewildered by the savage onslaughts on their standard of life, retreat, hav-

The Road to Power

ing no leaders, complaining, disgusted, and almost without hope.

To miss the central fact which has produced this situation is to miss the greatest lesson the crisis has to convey and to leave the movement blindly drifting to similar disasters. But it has been missed by practically every writer in the British movement. Even Mr. Arnot failed to appreciate that fact in his valuable article on "A Parliament of Labour" in the October issue of the *LABOUR MONTHLY*. In that article Mr. Arnot displays the characteristic defects of most of the theorists on Trade Unionism. These defects arise out of the failure to appreciate the real political significance of the growth of the working-class organisations and the kind of crisis latent in every large movement of organised workers. Although Mr. Arnot felt it was an unusual experience from which some special lesson ought to be derived, he falls back upon theories and experiences with which we were familiar long before April, 1921, in order to project his plans for the reorganisation of the Union movement. Of this we would not complain, providing the special lesson of the new experience is not overlooked. But such is not the case.

We have been content to examine Trade Unionism in relation to industry, to regard Trade Unions simply as organisations for the regulation of wages, workshop conditions, etc., and at the most aiming at the control of industry. The political significance has been relegated to pressure upon a Parliamentary Party or supplementary to it. The Industrialists and the Syndicalists spoke of the "exploitation at the point of production," and cried "Organise at the point of production if you would be free." They studied the evolution of industry, projected the industrial republic, and determined accordingly what they thought would be the kind of organisation necessary thereto. Then they measured the value of all existing organisations by their degree of approximation to their ideal industrial Union. Their vision was limited to industry.

The Labour Monthly

The ordinary Trade Unionist was somewhat different. He grew up in the spirit of the little shopkeeper who one day hopes to become a Selfridge. His little Union was *the Union*. His leaders were of the type accustomed to negotiating two sixpences for a shilling and insuring their membership against the workhouse "by small contributions regularly paid through life." They had no great schemes of organisation, and hated innovations. The organisations grew and modified their form as the varying stages of the struggle flung ever larger masses into the fray. Hence the different types of Unions—craft, occupational, general labour, industrial, etc.

In the realm of policy the one produced a hatred of Parliamentarism and a powerful prejudice in favour of "direct action," culminating in the general strike and the abolition of the State. A goodly proportion of the other, well adapted to Capitalism ideologically, leaned to the other extreme of Parliamentarism. The slogans of the movement were, accordingly, Direct Action and Industrial Unionism, Parliamentary Action and Industrial Peace. Both sides of the movement were at one in relegating the Unions to what was called the "industrial field."

The pendulum swung backwards and forwards between the two policies at Congress after Congress. But both sections of the movement missed or ignored the revolutionary *political* significance of the power accumulating in the growth of their organisation. They missed the fact that sooner or later antagonistic institutions challenge the existence of each other, that the institutions of the working class are as revolutionary in their implication as the working class itself. The crises of the last three years have delivered smashing blows at all our old conceptions of the struggle, and relegated the old slogans to subordinate rank. Who can say now: This is an industrial issue and that is a political issue? Who can say that "by the organisation of the workers industrially to control industry we shall squeeze out the capitalists step by step," when the employers have pushed two millions of

The Road to Power

workers on to the streets and made organisation in the factories almost impossible? Who can say that the way lies only through Parliamentarism after two outstanding crises within comparatively a few months of each other have challenged the very existence of Parliament, at a time when the Parliamentary Labour Party numbers only about sixty members?

No longer can there be any dubiety about the situation. The antagonistic concentration of forces which produced the Councils of Action and the Black Friday fiasco are clearly shown to be not peculiar and abnormal, but the natural development of the class struggle. The capitalist class challenged the workers through its own institutions, its own State power. The working class met that challenge with its own organisations, its Trade Unions, its political parties, etc. They had no alternative. They could not even wait for a General Election. Whatever was won by the Councils of Action can be attributed to the willingness to meet that challenge for power. Whatever was lost on the day of "reasonable settlement" can unhesitatingly be attributed to the refusal to face that challenge.

We cannot escape this issue. The more the economic crisis of Capitalism deepens the more all the organisations of the working class assume a political rôle and are compelled to mass themselves together to avoid extinction. The working class of to-day has either consciously to mass its organisations together in common defence and fearlessly face the fight for power or see its organisations disintegrate and its life crushed to ever lower standards.

Immediately these things are recognised as fundamental to the future of the movement we have new standards of judgment for our actions and the means for the transvaluation of our values. Every scrap of organisation, whether a small branch meeting or a congress of Unions, an unemployed workers' committee, or a conference of political parties, or a co-operative store, assumes an importance hitherto unrecognised. Strikes, Parliamentary action, organisation of the

The Labour Monthly

factories, the growth of the co-operative movement, the development of the Unions no longer appear unrelated or antagonistic, but phases of the one political struggle of the classes converging on the proletarian conquest of power. The Unions can no longer be judged as good or bad according to their form. By their deeds we shall know them.

Reverting to the crises already mentioned and testing the leadership and the movement generally by its deeds in relation to the fundamental tasks we have indicated, the outstanding weaknesses are amazingly clear. On both occasions the leadership was deplorable. On the first occasion it steered the mass movement into a Parliamentary debate. On the second, it flung the masses into economic disaster. In neither case were the masses alive to any means of removing the leaders who had failed them, and even to-day the formal constitutional procedure holds them in office in spite of their continued failure. The importance of leadership can hardly be overestimated. The greatest weakness of the organised Labour movement lies not so much in the multiplicity of organisations as in its lack of control over the elected person. Content with the formal democracy of the ballot-box, the rank and file have lost control over those who determine what shall come to the ballot-box. Better far to abolish the ballot-box in the Unions and institute means for the rapid removal of leaders who fail, than allow leaders to fasten themselves in office for years and register a cross on issues already defeated.

Equally alarming is the number of leaders who will not lead. We are needing, as never before, a central authority that can command the respect and attention of the whole movement. True, we have all the leaders of the Union movement nominally united in the Trades Union Congress and a central authority in the General Council. But actually there is no unity in the Congress or authority in the General Council. Each constituent part feels itself bound by its own particular constitution. So much is this the case that it is no exaggeration to say that the Trades Union Congress is only a reflex of the muddle of the Union bureaucracy and

The Road to Power

not a live determining body holding the individual organisations subordinate to itself. Yet a Congress we must have, and a General Council we must have which shall function as a general staff. There is no Union which can fight a winning battle on its own to-day. The massing of the Unions and submission to a central lead is essential. This can be obtained by investing the Trades Union Congress and the General Council with Executive Power over all Unions.

But more is needed if we are to avoid the failures we have emphasised. We need, as Mr. Arnot has already pointed out, the introduction into the Congress of delegates representing more than individual Unions and also the innovation of the power of recall by the rank and file of the organisations represented. The first can be met by the re-introduction of delegates from the Trades Councils; the second by changing the method of election. The delegates from the Unions should be elected by representative conferences of delegates drawn from the local units of organisation of the Unions and responsible to such conferences. All Unions have some means of calling such conferences, and some Unions have such conferences as a feature of their constitution. The delegates from the Trades Councils should be elected by their delegate meetings and responsible to them. The General Council should be elected by the Congress and responsible to the Congress. In each case the larger body should have the power to remove unsatisfactory leaders at its sessions. Thus would be established a means for the effective control by the masses of the leaders as well as the ballot-papers.

The proposal for direct representation from the factories is impracticable in the present state of affairs. Where is the factory organisation tingling with life and vitality which will set the molecules in the Unions astir? The proposal arises out of a study of organisations built upon conditions that are now non-existent, and not out of the study of the realities of to-day. The struggle is a dynamic struggle changing the direction of our efforts from day to day. The conditions

The Labour Monthly

which made possible the rapid development of the factory committees are gone. To get such organisations we require a sense of power and a degree of stability in the position of the workers, derived either from strength of organisation or the abolition of unemployment, as in the war period. To-day everyone is conscious of weakness in the face of bad organisation and terrible unemployment. The immediate effectiveness of the modern Union movement does not depend upon whether the unit of organisation is geographical or industrial. The miners and the railwaymen, with their close approximation to the industrial form, are in as deep trouble as the engineers or general labourers. It is one of the ironies of the day that we have to appeal to the Unions irrespective of their form to mass themselves together as a means of reviving the organisation in the factories. Our effectiveness now depends upon the magnitude of the forces we can mobilise for action under a single leadership at any given moment, and the degree to which such organisation and leadership is flexible enough to respond to the dynamics of the struggle.

There is something radically wrong with the working-class organisation and its leaders when the live issues of the day, such as unemployment, are so inadequately met that the separate organisations which spring up out of the situation are left to drift away from the general body of Labour and are compelled to fight for recognition of their claims, even in the Labour movement. How long unemployment will continue at its present dimensions no one can say. But so long as it is a vital question and the unemployed are organising, the central organisation of the working class cannot afford to ignore such organisations or such issues. The Congress nationally and the Trades Councils locally should be immediately reinforced with delegates from the unemployed committees and the General Council of the Trades Union Congress ought to have within its ranks a direct representative of the National Administrative Committee of the Unemployed. We cannot allow a movement thriv-

The Road to Power

ing on bitter experiences to create a cleavage in the working class when a united mass movement is within easy reach the moment we are prepared to demonstrate in deeds that we mean business on this question. Such a move is as sound in principle as in tactics. Massing the organisations is a source of strength. Unity of action is essential in policy. By these means we regain strength to initiate once again an organisational drive into the factories.

The political implications of every measure of immediate action and the political rôle of the avowedly industrial organisations forbid the isolation of the political parties by the Unions. Fortunately the British movement has been saved from the experience of the French movement and its boggy of the Amiens Charter by the growth of the British Labour Party out of the Unions, and there is little likelihood at this date of a "no politics" controversy. Indeed, the struggle has already drawn the Unions and the Labour Party together both nationally and locally, until it is no revolutionary measure to urge the necessity for joint meetings of the Executive of the Labour Party and the General Council and joint conferences of the parties of the working class and the Unions. In many places the Trades Councils and the Labour Party are one and the same organisation.

That the Labour Party is a perfect organisation not even its most enthusiastic supporters will claim. It suffers from many of the defects of the Trades Union Congress, and the remedies we have ventured to recommend for that body, especially with regard to the control of leaders, ought to be applied to the Labour Party also. Its policy in relation to other working-class parties is rendering a bad service to the movement as a whole and doing harm to itself. Its real rôle is to keep together the working-class movement, with its strong political currents, so that, whatever the differences may be, they will be differences within the organised working class and not differences which segregate it. It should be flexible enough to embrace all the workers' parties just as the Trades Union Congress embraces the Unions irrespec-

The Labour Monthly

tive of their form and programme. It should function as a Congress of working-class parties working in accord with the Congress of the Unions. If it continues to attempt to impose the rigid discipline of a single unified political party it ceases to be a unifying movement, changing with the transformation of the outlook of the workers, and becomes a competitor for the support of the masses. The alternative allows for the definite clear-cut policies and programmes of the parties to win their way among the masses for the majorities they seek, whilst the working class as a whole loses nothing in organisational strength.

It is equally important that the Co-operative movement should be in complete accord with the rest of the working-class movement. It is no new proposal to suggest a working agreement between the Unions and the Co-operatives. To-day there is greater need than ever for such an alliance. Why not turn this oft-spoken aspiration into a reality? Let the General Council of the Trades Union Congress, as the supreme authority in the Union movement, initiate a working alliance with the central organs of the Co-operative movement and the local Co-operative societies make a working alliance with the Trade Councils. Such an alliance should be at once a financial alliance, a propaganda alliance, a trading alliance, a real combination of forces for struggle and triumph over Capitalism.

Such a threefold combination of forces, such a massing of organisations for effective resistance to the onslaughts that are being made on every section of the workers, such provision for the working class to shed itself of encumbrances and bring its new leaders to the front would pave the way for the conquest of power and facilitate en route the adaptation of the industrial organisations to its future tasks.

CREDITS FOR RUSSIA

By DOROTHY F. BUXTON

AT more than the eleventh hour Mr. Lloyd George is once again showing signs of recognising that the return of trade prosperity to this country is impossible except on the basis of the restoration of Russia and Germany as buying and selling nations.

In the present article it is not intended to discuss the political or humanitarian issues involved, nor the special significance of the question for the Labour movement. But it may be useful at this juncture to set out in compact form the economic factors which indissolubly bind up the interests of Britain and Russia. These arguments are to-day the arguments which are compelling the capitalist world, however reluctantly, to turn to reopening real relations with Russia. But the facts behind them of economic interdependence will remain true under any form of social relations.

Briefly, it may be said that (1) as a source of food supplies and (2) as a market for our coal and manufactures Russia seems to throw wide open a door where other nations are tending to close their doors, if not to bang them in our face. It is true that optimistic newspapers are beginning to talk of a trade revival. Their hopes must, however, rest on slender foundations so long as our country is in great measure deprived of just those sources of food supply and those markets which head the list for us in order of importance.

I. — IMPORTANCE OF RUSSIA TO GREAT BRITAIN AS A SOURCE OF FOOD SUPPLIES.

Great Britain has to rely on imports for more than three-quarters of her wheat supply.

Mr. Balfour, speaking at the Washington Conference on November 15, pointed out that Great Britain was dependent on overseas communications for its food and that "at no

The Labour Monthly

moment in the year was there more than seven weeks' food supplies." This state of things could only be changed gradually, and even the most optimistic authorities recognise that our country could never become self-supporting in the matter of food.

It is therefore important that Great Britain should have as many sources of food supply as possible in order that (1) she may not be compelled to pay over-high prices; and (2) when one source fails there may be another available.

The Report of the Royal Commission on Wheat Supplies (page 7) says: "Throughout the war the Allies suffered by the suspension of Russian export—a very serious deficit, as the export of all grain and flour from that country had reached the high quantity of fourteen million tons in 1909-1910."

The following tables show the chief sources of our pre-war wheat supply, and the importance of Russia to us even at that time :

	Average, 1904-13, in Tons.		Percentage of Total.
North America	2,231,000	...	38.7
Argentine	1,017,000	...	17.6
India	896,000	...	15.5
Russia	807,000	...	14.0
Australia	554,000	...	9.6
Rumania	66,000	...	1.2
Other countries	197,000	...	3.4
	<hr/> 5,768,000	...	<hr/> 100.0

The fact we have to face is that we cannot in the future rely to the same extent on those sources of food supply which in the past have been the most important for us.

Taking these countries in the order of importance, it must be noted that the tendency in the United States is to produce less grain than hitherto. The United States are buying less from Great Britain and from Europe generally. The war led

Credits for Russia

to a great development of their own industries, and a decline in imports and in exports has gone together. The unfavourable exchange renders the price of American produce very high even for Great Britain, and almost prohibitive to many of America's former customers in Europe. Before the war Great Britain's imports from the United States were aided by the large amount of interest owed to us on British investments in the United States; now, the position is reversed—we owe a vast war-debt to the United States. Since the war, moreover, she has sold to us partly on credit. Even if our total debt is substantially reduced as a result of the Washington Conference, it cannot be expected that our trading facilities with the United States will ever be the same. As a result of the decline in Europe's purchasing power, in the autumn of 1919 the United States Department of Agriculture recommended a reduction of 15 per cent. compared with the acreage for wheat of 1918, and also a reduction of 12 per cent. in the spring wheat sowings of 1920 compared with the acreage of 1919. (Report of the Royal Commission on Wheat Supplies.)

To turn to our other sources of food supply, Canada, like the United States, is tending to export less to Europe and is, at the same time, doing more and more business with her great neighbour.

From Australia the great distance and high shipping costs have acted as a great check to grain-exporting even during the last few years, when the price of the loaf in Great Britain has remained so high. In 1918 and 1919 mice and weevils were consuming the unused grain stores of Australia. During the war it was found that by diverting ships from the Australian route to the carrying of grain from North America, the time economised was equivalent to an increase in their carrying capacity of 30 per cent.

The above and all other sources for our food supplies have even at the best of times been subject to great uncertainties. The Report of the Royal Commission on Wheat

The Labour Monthly

Supplies points out : " Even when harvest time is approaching, it is difficult to estimate crop yields. For instance, early in August, 1918, estimates of the Canadian crops varied between 120,000,000 and 250,000,000 bushels. . . . A further example of variations may be mentioned—namely, the Indian rice crop, which was computed in March, 1919, to be no less than 12,400,000 tons smaller than that of the previous year."

This truth applies equally to our other food resources, whether in the United States, Canada, India, and Australia.

As regards India, the present political uncertainty and movement to boycott English imports render our future trade relations and therefore also food imports from India particularly uncertain.

The following figures show :

(1) The great fluctuations from year to year of supplies of wheat from any one part of the world, and therefore the necessity of Great Britain having as many alternative sources as possible.

(2) The value of Russia to us in the past, when the crops were bad in North America.

IMPORTS OF WHEAT (BOTH GRAIN AND FLOUR).

From	1913.	1910.	1908.	1905.
Russia	5,014,406	28,947,646	4,613,321	24,858,568
U.S.A.	42,620,227	18,065,261	40,709,274	14,531,114
Canada	27,577,571	20,315,451	18,810,990	8,369,391
Argentine ...	15,021,894	15,272,633	31,837,297	24,093,391

The above significant figures are taken from pre-war times, when the world's productivity was at its height. Even then, in the matter of grain supplies, Russia had on occasion to come to our rescue, but in the present state of extreme poverty, if not actual famine in so many countries, of social and economic instability, and uncertainty in production everywhere, we see what a life and death question it might be whether or not the world's greatest granary is developed,

Credits for Russia

or in a large measure allowed to go derelict owing to the death of millions of its peasant cultivators.

In the production of wheat Russia (with the Ukraine) used to rank second only to the United States. In 1913 she topped the United States output by 24,000,000 quarters, and this despite the fact that the Russian yield per acre was only half the American. A writer is quoted in *Russian Information and Review* (October 15) as estimating that Russia has at least 288,000,000 acres of first grade wheat land, and that "probably the greatest proportion of this has never yet been touched by a plough."

The following table shows the percentage of the world's crops, other than wheat, produced by pre-war Russia:—

Barley	33 per cent.
Potatoes	23 " "
Rye	60 " "
Oats	25 " "
Sugar-beet	20 " "

Russian Information and Review, October 15.

Russia also supplied 70 per cent. of the world's hemp and flax and a considerable proportion of its dairy produce. (It must be remembered, of course, that pre-war Russia included several areas which are now independent States.)

The following statement was made in August 1920 by the Food Controller in Great Britain:

"Before the war, of the world's principal exports, Russia provided about a quarter in the case of wheat and butter, and nearly two-thirds in the case of eggs. We ourselves were dependent upon this source for our imported supplies to the extent of one-eighth in the case of wheat, one-sixth in the case of butter, and about one-half in the case of eggs, besides large quantities of barley, oats and maize. To-day this vast source of world food supplies is still out of the economic map."

What a tragedy is contained in the fact that eighteen months after the above statement was made by a responsible British Official (who must surely have had the ear of the British Government), the Allies' deliberate policy of keep-

The Labour Monthly

ing Russia off the map, of refusing to trade with her, of starving her of the necessities indispensable to economic life, should be bearing its bitter fruit in the death, day by day, of thousands of peasants, who might have lived to produce food for our own underfed population; its bitter fruit, moreover, in the unemployment in our own country of thousands of workers who might have been at this moment producing coal or manufacturing necessities for Russia.

In the statement quoted above the Food Controller went on to point out that the cost of living was likely to remain high on account of the "small progress made since the armistice to remedy the agricultural and economic conditions brought about by the war." At the same time the demand on world supplies made by Central Europe was increasing and would continue to increase. "Until, therefore," he continued, "the present blanks in the world's exports have been filled, and countries which were predominantly self-supporting have recovered approximately their pre-war position, there can be no stability in the world supply and demand position, and consequently in prices." Thanks to our Government's reckless economic policy, it is doubtful whether we are nearer this position to-day than we were eighteen months ago. Of the countries referred to as being formerly mainly "self-supporting," the most important, no doubt, is Germany.

Germany before the war produced 75 per cent. to 80 per cent. of its own food supplies; it now only produces 49 per cent., mainly because it can no longer afford to purchase fertilisers on the needful scale. It can only be a matter of regret, that as a result of the Allies' mad reparation policy, the demands of Central Europe have *not* so far increased at anything like the rate which the needs of its underfed population would demand. The increase in their power to compete for the world's surplus food supplies would be a lesser evil to Great Britain than their present bankruptcy. Poverty-stricken Central Europe can afford to pay for

Credits for Russia

British coal and manufactures even less than it can afford to pay for food from America and from the British Empire. The saving of Russia as a cheap food-producing country offers the only solution to the problem, and has, therefore, a double importance for Great Britain.

The present unprecedented situation in Russia is in the main the result of the special conditions created by the war and the revolution. In the first instance, the war took away not only millions of peasants from their land, but their carts and horses as well. All the resources of the country were squandered upon the waging of the war. At the time of the revolution, after three years of war, the agriculture of the country was already in a chaotic condition. Since then four factors have tended to aggravate the position.

1. The Allies' blockade, which for three years prevented any imports of machinery.

2. The various civil wars supported by the Allies, which laid waste agricultural land and prolonged the diversion of all the country's resources from reconstructive to military effort.

3. The mistaken policy pursued by the Soviet Government until April, 1921, in endeavouring too hastily to eliminate the incentive of gain as a factor in the peasants' agricultural activities.

4. The serious droughts of 1920 and 1921, which were the main cause of the reduction of Russia's total year's harvest (including the areas where the crops were normal or above normal) to about half of that of the average pre-war year. The area now affected by drought used to produce 24 per cent. of the average surplus of grain.

Famine-stricken though she may now be, the potentialities of Russia as a food-producing country seem almost unlimited. Of her population 85 per cent. are peasants. In the past it has been lack of irrigation and of scientific farming that from time to time has allowed serious failures to

The Labour Monthly

occur. In spite of primitive methods, pre-war Russia succeeded in supplying 79 per cent. of the world's output of cereals (according to Mr. Sereda, when he was Minister of Agriculture). Russian exports of grain covered about 40 per cent. of the rest of Europe's requirements in the way of imports.

With the aid of imports of agricultural machinery and artificial manure and by a proper rotation of crops, by irrigation and more scientific methods of farming, there is every reason to believe that Russia might be able within ten years to produce at double her former rate. All she needs is the temporary financial help to tide her peasant cultivators over the present emergency and to finance the necessary imports required to get her vast machinery of production set going.

II.—RUSSIA AS A MARKET FOR BRITISH GOODS.

But if Russia is indispensable as a source of supply, she is also the only country which offers us the certainty of an expanding market on a very large scale for our exports.

Before the war Russia received 60 per cent. of her mechanical equipment from abroad, besides vast quantities of coal, of which a large proportion came from England.

In 1913 our exports to Russia of goods produced or manufactured in the United Kingdom amounted to £18,000,000; while the amount of goods re-exported by this country to Russia amounted to £9,500,000. Our exports included:—

Iron	£1,009,820
Coal	4,440,831
Ships	643,466
Machinery	3,946,547

The importance of Russia as a market for our manufactures lies in the fact that it is so pre-eminently an agricultural country, and that it is likely to grow as a market

Credits for Russia

for us, while the development of industrialism, and also of a Protectionist policy, is tending to diminish our markets in many other parts of the world.

It is particularly advantageous to Great Britain to import food from a country which takes coal exports from us in return. The freights on coal for the outward voyage procure cheaper freights for the food on the homeward journey. This has been the case in pre-war times as regards our trade with the Argentine. Russia's potential demand for coal from Great Britain, like her potential supplies of food for Great Britain, would be on a very large scale.

During the period January 1 to September 30, 1921, the value of our export trade to Russia amounted to over £4,064,207, i.e. (allowing for increased prices), 25 per cent. of pre-war value.

If credits were forthcoming, trade could rapidly be increased ten-fold. The following list shows the chief articles already exported. For many of these and for a vast number of others demand in Russia would be practically unlimited :—

Coal	£720,000
Provisions (flour, herrings, etc.)	1,695,000
Cloth	1,400,000
Agricultural machinery and implements	282,000
Chemicals	148,000
Clothing	192,000
Sewing cotton	148,000

The comparative value of Russia as a market for British goods in the past may be seen from the following tables, which also serve to show the serious decline in our general trade in 1920 as compared with 1913. (It must not be forgotten that, owing to the depreciation of currency, the 1920 figures represent less than one-third of their pre-war value.)

The Labour Monthly

TOTAL EXPORT OF BRITISH, FOREIGN AND COLONIAL MERCHANDISE.

	1913.		1920.
1. India	£71,670,231	...	£183,951,715
2. Germany ...	60,499,693	...	51,088,763
3. U.S.A.	59,453,231	...	131,060,995
4. France	40,881,707	...	175,747,743
5. Russia	27,693,953	...	16,833,383
6. Argentine ...	23,437,343	...	43,841,651
.....
Total British exports	£634,820,326		£1,557,222,600

According to Government statistics, the total value of the 1920 exports, calculated on the basis of 1913 prices, was only £471,000,000, i.e., about three-quarters of the 1913 exports.

The exports during 1921 have declined still more seriously. Thus, the exports during the nine months ending September, 1920, were valued at £1,187,736,518, and for the same period in 1921 they amounted only to £596,300,979. Even taking into consideration the fall in prices since 1920 (of about 35 per cent.), this figure is very significant. If we examine the shipping figures we see that the weight (with cargoes) of the shipping which cleared British harbours in the first nine months of 1921 was less than one-half of that during the same period of 1913. The shipping (with cargoes) which was cleared from British harbours in the first nine months of 1921 was only half as much as that during the same period of 1920.

The indispensable character of the Russian market is thrown into strong relief by the consideration of certain facts with regard to other countries which have hitherto ranked high among our customers.

(1) GERMANY: Germany has hitherto taken the second place in the list. Major Keith Trevor, who has considerable interests in the cotton trade and spinning industry, in an interview with a representative of the Press Association at the end of last month (December 23), pointed out that, "in

Credits for Russia

1914 one-half of the time of the fine spinning section of the Lancashire cotton trade was given up to spinning yarn for Germany and for Russia." He maintained that "the end of the war caught Germany short of at least 3,000,000 bales of cotton," and that only extreme poverty prevented the German people from buying on a scale which would restore the fine spinning trade to its pre-war position. The importance of this is shown by such facts as that, in the week ending December 18, 1921, there were 405,713 claimants for unemployment insurance benefits in the counties of Lancashire and Cheshire. One of the most potent factors in restoring Germany and the other countries of Central Europe to their old place would be the revival of Russia as a source of cheaper food supply and as a market for their industrial products.

(2) **AMERICA**: America is tending to become more self-contained. The following figures show the decline in her foreign trade (reckoning the dollar at par):—

	1920 (First 8 months).		1921 (First 8 months).
Exports	£1,118,614,000	...	£654,907,000
Imports	832,235,000	...	352,806,000

The proposed Fordney Tariff imposes duties on an average three times higher than before, and nearly a hundred articles, formerly on the free list, come under it.

(3) **FRANCE**: The following figures show the decline in trade with the United Kingdom:—

	1920 (First 8 months).		1921 (First 8 months).
Imports from the United Kingdom.	7,734,000 francs	...	1,758,000 francs

In particular, imports of coal declined from 9.1 million tons in the first nine months of 1920 to 3.2 million tons in the corresponding period of 1921. This is due to the competition of Reparation coal, of which Germany is to continue deliveries for ten years from the date of the Versailles Treaty.

The Labour Monthly

(4) **ARGENTINE**: Our coal exports to the Argentine were formerly the second most important branch of our export trade to that country, and the freights on the coal procured us cheaper rates on the food and raw materials imported on the return journey. Since the war American coal has been largely replacing British coal, and our coal exports declined from 3,694,000 tons in 1913 to 274,000 tons in 1920. (The latest figures show a decided revival, but it is doubtful whether they can be taken as marking a real turn in the tide.)

(5) **THE BRITISH EMPIRE**: Can we look to the Empire for fresh openings to compensate for the decline of our markets elsewhere? Sir William Clark, Controller-General of the Department of Overseas Trade, has lately given his opinion on this point. Speaking in Manchester on November 18, he laid stress on the vital importance to us of Europe (i) as a market for our exports; and (ii) as a great indirect purchaser of raw materials. "People said that Europe was hopeless, and that we should therefore depend upon the Empire . . . but in the last resort, markets depended upon the purchasing power of the units that made up their population, and out of the 400,000,000 population of the British Empire only 15,000,000 or 16,000,000 had the European standard of living, and one could not expect the powers of absorption of the rest to increase in the next few years."

There are other reasons besides those given by Sir William Clark why it is better not to rely overmuch on our trade with the Empire. All food- and raw-material-providing countries are heavily hit by the impoverishment of Europe and are less able to buy from Great Britain. Here, again, the revival of Russia and of Germany as buyers—e.g., for Indian tea—would do much to restore the purchasing power for British goods within the Empire itself. Canada, South Africa, Australia, India, are all, to some extent, suffering from the loss of former Continental markets. India, moreover, is developing its own industries very rapidly and is imposing

Credits for Russia

protective duties of 11 per cent. and even 20 per cent. on imports of manufactured articles. As mentioned above, the Non-Co-operation Movement is causing India to boycott imports from Great Britain in particular, and the growing discontent there and throughout the Mohamedan world makes our future trade with it very uncertain. Both India and Australia, moreover, are increasing their trade with Japan (though this trade is still relatively quite small).

As regards Egypt, Great Britain cannot look with much certainty to the continuance of her commercial supremacy in a country which is endeavouring to free itself of political dependence on the British Empire.

The conclusion from these facts is simple. Wherever we turn our eyes we see countries developing their industries and imposing protective tariffs in order to safeguard themselves against foreign competition. Russia, however, cannot become industrialised for a long time to come, and it offers an inexhaustible market for our coal, textiles and our iron and steel products.

To allow a large area of one of the world's greatest granaries to go out of cultivation, with all the loss of wealth to the whole world which this involves, would seem, under all circumstances, an act of suicidal madness. The few million pounds required to save the Russian peasants, to save the producers of Europe's food supplies, to save millions of Great Britain's potential customers, could now easily be provided from what we save on the cancelled battle cruisers.

The insincerity of the pretext that Russia could not be given credits until she guaranteed repayment of all debts should always have been clear from the obvious fact that the loss of wealth involved in the death of millions of peasants, and the ruin of their farms, would render payment, in any case, impossible. One is driven to the conclusion that capitalist groups—possibly in England as well as in France—have clung to the hope that the Allied refusal of credits and of adequate relief for the famine would hasten a Bolshevik

The Labour Monthly

collapse and the introduction of a subservient White régime, under which the way would have been clear for the exploitation of Russia, in ways of which we have already seen examples in Hungary and elsewhere.

For our own country, in particular, the case for the saving of Russia is overwhelming. It is not only a question of ensuring our food supplies in possible circumstances of future world crises, but of cheapening them in the present. The high cost of living is the main obstacle to a fall in prices which would stimulate our moribund trade. The cost of living enters into the price of coal, and therefore also of shipping, and over and over again into the price of every finished article. It is moreover certain that the present half-hearted policy of easing the Reparation claims will not suffice to bring about Germany's recovery. Her revival depends not only on drastic changes in the Allies' Reparation policy, but also on the renewal of her trade with Russia and the re-opening of that country as a vast source of cheap food supplies.

Russia may, indeed, be regarded as the key to an otherwise hopeless position in the world's economic affairs, and especially in those of Great Britain.

WORKING-CLASS EDUCATION

I.—Britain

By MARK STARR

"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 rumours of disputes it is well to remember that there is another side to the Labour Movement. Amid the turmoil of the industrial world and removed from the public gaze there is in progress an educational movement amongst working-class 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."

THE quotation at the head of this article is taken from an *Observer* of two years ago. Since that time the educational movement among the workers has grown more rapidly than ever, and no one wishing to form opinions on the future of the International Labour Movement can afford to ignore this mighty under-current.

Education, according to Spencer, should "prepare us for complete living." Because the education of the elementary schools and the technical colleges, as well as that proposed in the "humanities" by well-meaning people, has failed to do this for the workers, they have been forced to develop their own agencies.

The education given in the State schools tends to keep things as they are, and, apart from the incalculable harm done by huge classes and bad teaching with their stultifying effects, is positively dangerous in the attempt it makes to impress Imperialism on the plastic child-mind. It is only

The Labour Monthly

the short-sighted farmer-capitalist requiring few booking clerks and accountants who refuses to recognise how useful the education of the ordinary elementary schools is to his class. One might have more hope of a working class unable to read the organs of a Northcliffe and the unctuous balderdash of Bottomley.

If elementary education is of greater use to the capitalist than to the worker (who only benefits incidentally), in the case of technical education or applied science the direct help obtained by the capitalist stands out still more clearly. When the capitalists as a whole were provided with an increased number of clerks and mentally-trained workers from the elementary schools, the wage of the railway clerks, to quote one instance, fell from 31s. to 28s. per week. The same has happened and will happen when technical colleges turn out in increased numbers the chemists, teachers and skilled supervisors that modern Capitalism needs. Any improvement in the tools of industry or their method of operation will only result in increased profits. Neither in elementary education nor in technical studies can the working class find the way out. Just as well might the capitalist class have expected the education of the monasteries to have provided them with the technical basis of the Industrial Revolution.

Then there are those who plead that adult education should be made to relieve the monotony and narrowness of workaday life by introducing the worker to the beautiful and wonderful things of life. Listen, they say in effect, to the message of geology. Admire the wonders revealed by astronomy and other natural sciences. Get to know all that is good in literature, in music and painting. To many workers the call sounds attractive: they think of men like Ruskin and Morris, who revolted against Capitalism for reason of its injury to art. Indirectly education of this sort does force the worker to demand a higher standard of life. A bouquet of roses held out to a man with his hand in a thumb-screw would certainly strengthen his desire to be free. But there is the danger that such studies may become fascinating

Working-Class Education

hobbies and lessen his usefulness in the Labour Movement. Why should he swim across the river to fill his bucket?

However, such is the pressing nature of the social problems of modern life that even those agencies which would like to tie ribbons on the chains of the wage slaves are forced to devote most of their classes to the study of Social Science. When subjects like logic, grammar, languages and elocution are studied, it is only to make students more effective transmitters of the knowledge obtained in the social history and economics classes—these remain the central subjects.

In Great Britain there are two rival organisations claiming to supply education to adult workers: the Workers' Educational Association, with its various associated bodies and Ruskin College, and, on the other hand, the Plebs League, with its creation, the Labour College, and the various Educational Councils in Liverpool, Sheffield, South Wales, and elsewhere. Midway between these bodies is the amorphous Adult School Movement, and the more important work carried on by the educational side of the Co-operative Movement. There is a very vital difference between these organisations which those people striving for their amalgamation, (as in the resolution of the Iron and Steel Trades Confederation at the last Trades Union Congress) either forget or do not understand. The W.E.A. looks chiefly to the State and its grants for support, while the Plebs League appeals to the Trade Unions to take upon themselves the responsibility of educational work as a necessary part of their activity. The W.E.A. regards the bourgeois Universities as the fountains of learning, while the Plebs League believes them to be tainted sources. The one sees education in Social Science as a dilettante discussion, an interesting exchange of opinions; the other views it as the forging of a weapon. The W.E.A. believes that Social Science can be taught without bias and it sets out to be impartial and avoid dogmatism of every sort. So earnest is it that it becomes dogmatic about the dangers of being

The Labour Monthly

dogmatic. The Plebs League asserts that in this particular sphere of knowledge "those who build society with their hands are best fitted to understand it with their brains." It flings impartiality to the winds as a dangerous, impossible ideal, and says that the only purpose of education should be the ending of wage-slavery.

Two organisations so different in their outlook and method can never be united. Repeatedly the W.E.A. classes are praised in the capitalist Press as an antidote to other revolutionary teaching (though in S. Wales some of the big coal-owners and shipping masters are not satisfied and are financing directly an Economic League and Economic Study Club, which pays lecturers to attend workmen's clubs).

On paper the W.E.A. greatly outnumbers its rival in membership, classes and affiliated bodies. That, however, is no real criterion of the work being done or the influence wielded, and the Plebs League, with which some 15,000 students are now connected, is everywhere challenging the affiliations; while the Labour College is slowly but surely extending itself among the other Unions outside its present chief supporters, the S.W.M.F. and N.U.R. The present aim is to get Educational Councils in every town and area, composed of Trade Unions and propagandist bodies, and then link them all together to avoid the present lack of co-ordination. Both the W.E.A. and the Plebs have their own publishing activities and their sales are a revelation of the educational activity in working-class circles.

For the working class, in many respects still in the adolescent stage, the education given by these study groups comes as a wonderful aid in attaining a consciousness of its power and its future. All the failings of the elementary State schools in their neglect of true history, or their misrepresentation of what is treated—all these are made good. The wonderful consequences of tool-making are followed until poverty and insecurity are proved to be complete anachronisms. That wonderful development is revealed from the unhafted flint to the electric coal-cutter; from the

Working-Class Education

pointed stick to the steam plough; from canoe and rude sledge to the great ocean-going liner and the submarine, the flashing express train and the aeroplane; and from the twisted grass to the beautiful modern fabrics. Thus has man ascended from being drowned by flood and tempest, terrified by the thunder roar and the lightning flash to the mastery of things; he has harnessed the forces that previously had him at their mercy.

Another great contribution of such education is that it destroys for ever the old static outlook on life and replaces it with the consciousness of continual social change. The evolution of previous classes, the organisations formed by the workers, their changing structure and tactics and their present problems, all are objects not only of interest, but of practical example. Trade Unionism becomes not a mere thing of the moment, but something which will carry through the next social change, now forcing itself into view.

Indefinite ideas concerning the origin and nature of the State and the economic fallacies which abound in the capitalist Press receive their death blow. The strength of the industrial and political arms of Labour is put to better use when it has a clear directing mind. Education of this sort, based upon the class struggle and mighty in its potentiality, is the lasting ferment.

II.—Workers' Education in the United States

By ERNESTINE EVANS

THE story of the Workers' Education Movement in the United States is a history of many varied experiments carried on by the Trade Unions, liberal intellectuals and Socialists. Because all of the experiments are of comparatively recent origin there has been no well-defined Labour Education philosophy as in England, but certain definite opinions have been concurred in by the leaders in the movement, namely, that Labour education is not con-

The Labour Monthly

tinuation school education, that it is not cultural education, and that it is not mass education, as carried on in our public halls.

Arthur Gleason's definition of Workers' Education perhaps expresses the consensus of opinion of the leaders in the American movement, "This is the heart of Workers' Education: the class financed on Union money, the teacher a comrade, the method discussion, the subject the Social Sciences, the aim an understanding of life and the remolding of the 'scheme of things.'"

The Trade Union movement in America has been slow to recognise the value of education carried on by itself for the benefit of its membership. In fact, a committee appointed by the American Federation of Labour in 1920 made the naive report that "boards of education and teachers should be fellow-servants and teachers of the public," adding that, "classes under Union auspices will serve the additional purpose of demonstrating the existence of a demand which the schools are failing to meet." They failed to observe that it was necessary for the Federation of Labour to undertake the control of their own education, or that they should support the Trade Union Colleges which had been started by their Locals and Internationals.

However, there are far-sighted officials in the Trade Union movement who have a growing realisation that American workers must take matters into their own hands and create their own organ for meeting working-class needs in education. James Maurer, President of the Pennsylvania State Federation of Labour, expressed characteristically the new conception when he said that "the aim of Labour Education is to train men for leadership in a new social order. There is no doubt that the present economic structure is crumbling. Who shall lead the workers into the new order which we will have to build up to take the place of the dying State? It is up to education for and by the workers to develop those few who will direct the majority toward the new goal on a basis of understanding."

Working-Class Education

Joseph Schlossberg, secretary of the Amalgamated Clothing Workers and representative of one of the most progressive Labour organisations in the United States, says that "the workers cannot attain physical freedom from the present economic slavery without first freeing themselves intellectually, and this is the work of Workers' Education."

The largest and most successful experiment in Workers' Education has been made by the International Ladies' Garment Workers' Union, and was organised in 1915. At a convention in Cleveland \$1,500 was appropriated for educational activities. The first year, the International, using New York City as a basis (inasmuch as its largest membership is concentrated there), arranged for special classes at the Rand School of Social Science. The next year Local Twenty-five of the Waist and Dressmakers' Union, one of the most active locals of New York City, organised one of its own education classes in one of the State school-buildings, the New York Board of Education supplying English language teachers and the Trade Union being responsible for selection of teachers in the Social Sciences. Their educational experiment was known as "Unity Centre."

At the next convention of the International an appropriation of \$5,000 was made and an educational committee of five was appointed to organise new "Unity Centres." This work was developed to such an extent that to-day there are eight "Unity Centres" in the public-school buildings situated in different parts of New York where the workers live.

There are classes in English (important, particularly for the workers of foreign birth), Trade Unionism, economics, literature, health, physical training, and psychology. This year the general attendance was approximately 2,000, out of a total membership of 80,000. This may seem to be a small percentage, but it is indeed a remarkable step forward in reaching the masses.

A Workers' University was also founded to attract workers who had received previous education, or business agents of the International. At the University, courses

The Labour Monthly

covering Trade Union Policy, Labour Problems, Current Economic Opinion, Applied Psychology, History of Civilisation, Economic Geography, Drama, and other subjects were given.

The method of conducting classes in both the Unity Centres and in the University is particularly interesting, as an outline of the lecture is given the students before the class and a discussion of the points covered follows each lecture.

The New York Workers' educational experiment has been followed by the locals of the International Ladies' Garment Workers in Philadelphia and Cleveland.

Another experiment in Labour Education, organised largely through the efforts of J. M. Budish, of the United Headgear Workers, involved the co-operation of thirty Labour organisations in New York City, organised into the United Labour Education Committee. These Trade Unions were too small to carry on independent educational work, and so decided to pool their resources.

The U.L.E.C. represents Locals in the needle and clothing trades, Fur Workers, Teachers' Union and others. It emphasises, perhaps, more strongly mass education rather than class work, and goes in for arranging lectures at meetings of the affiliated Locals as well as classes for the general membership, for shop chairmen and for officials; special strike services and slack services for the unemployed are given. The development of recreation centres and of drama is undertaken by this committee.

Last year the total appropriation made by affiliated organisations for the support of this programme amounted to over \$17,000. Sixty forums were conducted, and in forty-eight Locals 203 lectures and five concerts were given. The committee has effected arrangements with the Rand School whereby several hundred students assigned by the Union have been admitted to the Rand School courses at a reduced rate.

It is natural for both these experiments in New York City to attract the radical and class-conscious group of workers.

Working-Class Education

Nevertheless, such an experiment as is being carried on by the Boston Trade Union College, the Pennsylvania Labour Education Committee, or the Seattle Central Labour College is more indicative of what Labour Education in the United States will eventually look like.

The Boston Trade Union College was organised in 1918, under the auspices of the Boston Central Labour Union. It differs from the other Labour colleges in that it had the support of more liberal professors of Harvard University. It was, however, the first workers' school to be started with the backing of the Central Labour Body. The government of the college is unique, in that the Board of Control of twenty-five members is democratically organised: fifteen of its members are appointed by the Central Labour Union, five are elected by the students, and five by the teachers.

There is no resident Labour college in the United States which corresponds to the English Central Labour College or to Ruskin College, but plans are on foot to establish one at Katonah, New York. Labour leaders from all parts of the United States have already met to discuss ways and means of carrying on the first resident workers' college in the United States by the end of 1921.

None of these workers' classes has openly advocated any definite economic theory (except to declare for a new social order) as has the Central Labour College. The only exception is the Rand School, which is the oldest of all of these institutions, and was organised primarily to carry on Socialist education among the workers. Before the Trade Unions developed their own educational work, special arrangements were made with the International Ladies' Garment Workers, the Amalgamated Clothing Workers of America, the Workmen's Circle, United Automobile Workers, International Jewellery Workers, and other Unions for courses for their members at a reduced rate. In this way the Rand School continues to fill a great need and its annual attendance for the last three years has approximated 5,000.

Until recently there has never been anything in America

The Labour Monthly

that could be designated as a National Movement for Workers' Education, but in April, 1921, a three-day conference was held at the New School of Social Research, at which were present representatives of practically all the Trade Union colleges in the country, the Rand School, and teachers of the various universities and colleges.

This conference resulted in the formation of the Workers' Educational Bureau of America. James Maurer, President of the Pennsylvania Federation of Labour, was elected chairman, and Spencer Miller, a former instructor at Columbia, who is teaching in the Workers' University of New York, is secretary.

The aims of the Bureau are :—

To collect information relative to efforts at education on any part of organised labour ; to co-ordinate and assist in every possible manner the educational work now carried on by the organised workers, and to stimulate the creation of additional enterprises in Labour education throughout the United States.

To act as a publicity organisation.

To make a careful study of the problems of textbooks and other classroom materials.

To prepare syllabuses of courses which could be suggested to affiliated schools.

To make a careful study of the best methods of pedagogy in Labour schools.

Although no definite philosophy of Labour Education has as yet been evolved, many questions have been raised as to practical details which affect its successful development. Particularly important is the problem of continuing the work in the State schools.

In general, the Unions think it desirable to separate their activities from the State schools as far as possible. It has been the policy of both the United Labour Education Committee and the Amalgamated Clothing Workers to secure other halls, such as Workmen's Circle and Trade Union Halls, in which to hold their classes.

The International Ladies' Garment Workers' Union, however, has over two thousand of its members attending classes in the Unity Centres, in the State schools, and the

Working-Class Education

Workers' University in the Washington Irving High School in New York. It is true that the Union could not carry on such extensive work without using the State school buildings on the present funds allotted for education. On the whole, the Board of Education has been sufficiently neutral to justify the use of the schools by the Union, although the fact that the Board of Education requires a copy of the syllabus of all the courses taught in Workers' University has probably been a check to some of the teachers. Whether they will be able to control their work in the future, and continue the teaching of controversial subjects without interference from the State, is to be doubted.

The New York State Legislature has just passed two pernicious measures directly affecting Socialist and Labour education. The first requires the licensing of teachers, and the second the licensing of classes and schools. Licences are to be denied to those "institutions adjudged to be teaching subjects subversive of the existing order of government."

As reaction is well entrenched in New York State at present, when even Socialist members elected to the Legislature have been denied their seats, it is obvious that this law will be used against every educational institution whose teachings clarify the need for a new social order.

In Pennsylvania the Educational Committee began its work in public school rooms; but reactionary forces have influenced the School Boards to withdraw permits for the use of the schools, although in no case was a charge made against the teacher or the students.

At present the Boston Trade Union College and several other experiments described above have been holding their classes in the public school buildings, and in many places grammar teachers have been furnished by the Board of Education. The kind of supervision exercised by the local educational authorities, however, has intensified the problem as to whether their co-operation should be accepted by Labour in working out an educational programme which will train the leaders and awaken the rank and file.

THE MEXICAN WORKERS UNDER OBREGON

By GEORGE N. FALCONER

At the time of the Revolution of Independence in 1810, when the history of Mexico as an independent political entity begins, there were two main classes in Mexican society, divided by the deepest racial and economic distinctions: the pure Spanish aristocracy—the official and large land-owning class, constituting not more than 10 per cent. of the population—and the dispossessed and enslaved native class, the Peons,* constituting about 80 per cent. of the population. Between these two lay a third class of mixed Spanish and native blood—the trading and professional class, constituting the remaining 10 per cent. of the population. This distinction of blood between the three economic divisions of Mexican society has remained, with some modifications, to the present day.—“The Mexican People,” by Gutierrez De Lara.

The year 1921 opens with petroleum a definite factor in national and international policy and diplomacy. Where one can imagine the nations of the old régime disputing for territory as such, one now actually finds them disputing for this or that oilfield. This new phase of petroleum history is the chief feature that distinguishes 1921 from all the years that went before it. To what it will lead we cannot, any of us, be quite sure; but we may predict with perfect confidence that the oil policy of any of the principal nations will be a chief department of its diplomacy.—*The Oil News*.

“**W**HAT is the present situation in Mexico under the Obregon régime?” queries the **LABOUR MONTHLY** editor. An easy question, but difficult to answer. Mexico is a country rich in oil, and, as the *Oil News* says, “the oil policy of any of the principal nations will be a chief department of its diplomacy.” Mexico,

* While the strict meaning of the word “Peon” in Mexico is “farm hand,” to-day its actual meaning is serf—the man held in bondage by indebtedness or other legal trickery.

Mexican Workers Under Obregon

oil, diplomacy. A big world problem for a worker to attempt to tackle. But the attempt is worth making in view of the misinformation about Mexico that has been spread about.

During the past year efforts of questionable character have been made to create the impression among English-speaking workers that a Workers' Government prevails in Mexico. This impression needs correction. One English-speaking monthly published in Mexico City—suspended last April—spread the news that Mexico was on the verge of a proletarian revolution; that Mexico was surely and steadily “going red.” “History is being made in Mexico,” was one startling statement—“history of vast moment to the proletariat everywhere . . . the moving finger writes. And the message is—Soviet Mexico is near . . . Bolshevism permeates the Mexican army.” A case of pure hysterics; American spread-eagleism dished up in red! Nothing more. The author is now in the “cooler.”

Under the caption, “A Labour Government in Mexico,” a series of articles by Paul Hanna, of the Federated Press, appeared in the *New York Nation*, which have been widely reprinted in the foreign Press. “Hundreds of new schools,” wrote Hanna, “have been opened to the illiterate masses and thousands more are honestly planned by the Government. . . . speech and thought have been completely liberated. The smallest minority is admitted to audience with the President, or encouraged, *not* to ‘hire a hall,’ but to take a public building and appeal for adherents to its programme. Labour has a daily paper, *La Lucha* (The Struggle).” While these lines were circulating, *La Lucha* was suppressed and meeting places were closed to the workers “by order.”

In the *New York Call* of April 9 appeared an article by Roberto Haberman, referred to as a “Professor in the University of Mexico.” In his eulogy of the Obregon Government he says: “The present Government has gained world fame for three distinct reasons: its strong, frank and open friendship to organised labour and the inauguration of an economic and social programme that cannot be equalled out-

The Labour Monthly

side of Russia; its unimpeachable honesty and hostility to graft of any kind; its refusal to permit financial manipulations." Again, in the *Call* of September 16 he declared: "The Mexican Government is fostering Trade Unionism."

Samuel Gompers, who was here in the interest of the Pan-American Congress which met on January 10, 1921, received many favours of an official character. On his return to the States he reciprocated the compliments paid him as follows:—"The Government of Mexico is as near being a Government of and for the working people as any Government is on earth. . . . The Mexican Government is an epoch in working-class history. . . . Obregon is the idol of the lower masses"—as if the lower masses were not already cursed with idols! Why this pro-Obregon propaganda, 95 per cent. of which was "hot air" and spread-eagleism? We hazard one guess: Obregon was elected to office largely on the strength of the working-class vote, backed by peasant and workers' bayonets. Promises were made to Labour, many of which have been broken. Once in office, several Government jobs were distributed among needy Labour leaders. The rank and file? They got and are getting what they usually get—promises, lots of them, and—a cut in wages!

While Hanna's assertion about "speech and thought" being "completely liberated" in Mexico was circulating, a miniature white terror was set in motion by order of the President: "All Bolsheviks must go." He was ably backed, of course, by the Press, which is about as rotten as the American! Twenty persons, suspected of being Bolsheviks, Communists, Syndicalists, and members of the I.W.W., were unceremoniously arrested and deported. American and Mexican secret service men participated in this all-round clear-up of "pernicious foreigners," as per Clause 33 of the Mexican Constitution. That this was no spasmodic episode, but a settled Government policy, is evidenced by the announcement in the *City Press* of September 15th, that "no more Bolsheviks" were wanted.

Mexican Workers Under Obregon

The Government has given strict orders that no Bolsheviks, Radicals or agitators be permitted to enter Mexican territory in view of the fact that no more passports are required to cross the frontiers, and numerous undesirables are trying to enter this country.

In the same issue President Obregon is billed to "ring the same old bell with which Hidalgo* rallied the liberty lovers of Dolores to his cause." The people were called to assemble before the palace. Together with the President, they will cry out as did Hidalgo and his fellow-rebels: "Viva la Independencia! Viva! Viva!"

The story has a familiar string to it. America also has her "Liberty Bell," but it is cracked.

Mexico, under the Obregon régime, is now safe for democracy. Live rebels are starved, jailed, deported, shot. Dead rebels are honoured, and sometimes crowned King of Kings and Lord of Lords. "Viva la Independencia!"

* * * * *

What is the present situation? The population of Mexico is something like 15,000,000. The economic division, as stated by De Lara, remains, with some modification, to the present day: 20 per cent. possess all the wealth of the nation; 80 per cent. are propertyless, most of them living in abject misery. The 20 per cent. embrace the holy trinity of Church, Oil, and Land. These three are one, and the one three. Quarrels arise between the three factions; but when it comes to robbing the 80 per cent. the trinity becomes a unity. They are past-masters in the gentle art of "putting it over" the Peon and worker. Especially true is this of the *haciendas* (individual landowners) and their celestial confederates,

* September 15th, 1810, Don Miguel Hidalgo, a rebel priest, called together a few devoted men; went to the city gaol, liberated all the prisoners, and formed a battalion for the fighters for freedom. For a flag they carried the image of the Virgin Guadalupe, and went forth to battle against the royal Spanish forces. Many battles were fought, won and lost. Hidalgo was finally defeated. He and four associates were taken to Chihuahua and there sentenced to death. And their heads were sent to the City of Granaditas, and exhibited in iron cages suspended from the four corners of the fort, as a warning to other rebels.

The Labour Monthly

the Holy Fathers of Mother Church. Not only are the Fathers tax-collectors for heaven, but successful real estate agents, and collectively a prosperous land and financial corporation. They deal not only in "futures," but in the best corner lots. Secretary Antonio I. Villarreal said, in the July *Mexican Review*, that "in the State of Michocan alone the Church owns 17,000,000 pezo (pezo equals 2s.) in property values and enormous riches all over the Republic." In Mexico City the Fathers own millions of dollars' worth of real estate, including many rotten tenements from which a tremendous revenue is derived. The very poor, of course, hibernate in these filthy dens. The wealth of these gentry (aptly named the "vermin of God") cannot be catalogued, as they seldom keep books, holding most of their property "in guardianship," thus evading the reform land laws of Jaurez, which declare *all* Church property the property of the nation. Like the vermin they are, they work in the dark and under cover; they are hard to exterminate. Although Mexico secured its "Independence" in 1821, it was not until 1857 that it was partially freed from the Clericals' yoke, and this freedom lasted only a few years, for Diaz became President in 1876, and quickly undid all that had been accomplished by the very honest and able Jaurez. The revolutions of the past ten years have been waged in favour of land and liberty as against the *hacendados* and the Clericals.

A reliable authority on the Mexican land question is Gonzalez Roa. Writing in 1917, he gave the average extent of the haciendas as eighty square kilometres, and he quotes instances of single estates covering as much as 419,000 acres. Hearst, owner of a string of newspapers in the United States, got a concession from Diaz for a song—3,000,000 hectares of excellent land in Chihuahua. This same Hearst has been clamouring for war on Mexico for the past ten years. He also owns 20,000 acres of oil land in the State of Tabasco.

The census of 1910 gave the number of Peons working on privately-owned estates in Mexico as 3,130,400, plus the

Mexican Workers Under Obregon

women and children dependent on them, making a population of over 10,000,000 living in abject misery. Ten years of revolutionary activity has, of course, done a little to ameliorate the evil. Hundreds of haciendas (miniature cities some of them) were utterly destroyed by the enraged rebel-Peons, the ruins of which can be seen everywhere. And though the Caranza and Obregon Governments have done much in "land distribution," the land-hunger of the peasant is not yet satisfied. For of what value is a hundred-acre patch to a moneyless, tool-less peasant, ignorant, many of them, of the elementary principles of farming? The best land is still the private property of the *hacendados* and Clericals, and those who are willing to sell demand such a price as to make a purchase prohibitive. Ignorant of the value of scientific farming, selfish in the extreme, they sneer at progress and scorn the helpless Peon. Why change, anyway? Labour is cheap and machinery costs money! No wonder the Peon, his wife and children, flock to the big city, there to exist, rot and die—"unhonoured and unsung." The Mexican land problem has yet to be solved.

* * * * *

Thousands of former farm workers are at present engaged in the petroleum industry. In the Tampico region—unhealthy in the hot season—labourers are paid two to three pezo per day; their work is hard and their social quarters abominable. Their food and clothing is of the cheapest—and expensive. Life for these sorely harassed oil slaves is a daily crucifixion! Company spies keep the men from organising on revolutionary lines. The more advanced workers, however, are alive to the situation and are preparing to act. They have heard of the "Red International."

The petroleum kings, as might be expected, are making enormous profits. Fifty per cent. on their investments is not uncommon. In spite of losses by fire and the slowing down of production, due to the poorness of the oil market, conditions for the oil magnates are still healthy. Many

The Labour Monthly

of them have been whining at the new oil tax levied by Obregon. They will be bankrupt if this "confiscatory tax" is continued. Yet only the other day the Mexico City American Chamber of Commerce said in their *Weekly Bulletin* that times were never better for the oil men since the agreement between the Government and the companies. We are assured that "in 1920 the Mexican fields produced approximately 140,000,000 barrels of oil. This is the largest production ever attained in one year, and Mexico easily retains its position as the second largest producer in the world. There is also a gain of 52,500,000 barrels, or 60 per cent. over 1919 and one-fifth of all the oil produced in the world in 1920, the total of which is estimated at 650,000,000 barrels."

Evidence of the satisfaction of the oil men with the present state of affairs in Mexico may be found in the many nice things being said about it by the organs of Wall Street. Recently the masters of oil, steel and finance have been to Mexico, "looking things over." The *New York Times* for September 25, sees affairs in Mexico shaping just right. It says:

Probably the most significant business affair in connection with Mexico this year was the pilgrimage of the heads of the five biggest oil corporations in the United States.

Judge Elbert H. Gary, of the United States Steel Trust, and ex-Ambassador to Berlin, Gerard, have come and gone, leaving behind memories in the shape of rhetorical flowerets and bouquets. The ex-Ambassador was profuse in his laudation of Obregon:

We have been received with the royal hospitality which Mexicans dispense so well. We have had ten days of the greatest interest, and have seen a new Mexico rising Phœnix-like from the ashes of revolution and civil war. Yesterday I had the great honour of having a long talk with one of the strong men of the world—fighter and statesman—President Obregon, who will not only promote friendly relations with the United States, but by his wise

Mexican Workers Under Obregon

administration will confer on Mexico the benefits of peace and prosperity. As soon as the business men of the world know that property is safe in Mexico, new enterprises and capital will heal the commercial wounds of war. My great thanks to all Mexican friends and a "Viva Mexico and President Obregon!"

And this is what the holy bible of Wall Street, the *Wall Street Journal*, had to say on October 3 :

Favourable developments bearing on the Mexican situation are expected to come in the next week or two. The recognition of Obregon by the United States seems to be near.

Gerard is no doubt right : "Property is safe in Mexico."

* * * * *

It would seem that wherever nature is beautiful there the worker is mercilessly exploited and oppressed. Mexico is a beautiful land. Her people have these four hundred years—from Cortez to Obregon—been brutally robbed and maltreated. "Barbarous Mexico" she has been called. But the barbarians were the few, not the many; they were from the top, not the bottom. The Mexican Peon, low though he be in the scale of European civilisation, is yet a kindly, lovable brother man. His honest smile and hearty greeting is an ever-recurring pleasure to the stranger. The Mexicano is a loyal companero of the world's proletaire. The old woman who runs our "eat-house" says frequently, "Mucho trabajo, poco dinero"—much work, little money. Mexico's 80 per cent. work hard and receive little.

Industrially, Mexico is still in its infancy—the millions of its population are still agrarian workers. This fact has led not a few to infer that Communism was already developing or about to be established in Southern Mexico. The Pauls, in their admirable work, "Creative Revolution," refer to the "Communist developments in Southern Mexico and Yucatan, superimposed upon the foundations of a Peonage system, even more primitive than the land system of Russia." However fictitious the "Communist development" is (Zapataland was largely a myth), the "Peonage

The Labour Monthly

system," somewhat improved, remains intact. Yucatan, the hottest place this side of Hades, has been for decades the paradise of the rich and the hell of the Peon. There the Peonage system prevailed in all its hideousness. Stories of the brutalities practised upon the workers previous to 1910 remind one of the Congo atrocities. Yet here it was where the Peons arose in "unvanquishable numbers" to the bugle call of revolution; and for ten years proved themselves the ablest, most valiant rebel fighters in Mexico. Ninety per cent. of them are said to carry a red card (and a gun) with the inscription: "Tierra y libertad"—land and liberty. Even to-day (the October elections are on at the time of writing) every ballot cast is backed by a bullet. "Revolution in Yucatan" is a daily head-liner in the Capitalist Press. They know how to *fight* in Yucatan!

As previously stated, much land has been distributed by the Obregon Government, but the best of the *haciendas* have been given to military chiefs, political adventurers and "Court favourites." The Peons and workers who fought and won the revolution have been defeated by the revolution. Even Pancho Villa, one-time bandit, is now the owner of a *hacienda* and is investing his surplus in oil stock. His latest photo shows him a well-fed, double-chinned, contented member of the Mexican bourgeoisie. Villa, the Terrible, is now Señor Villa, the Respectable.

The Mexican land problem, then, is still unsolved. The industries, such as they are, have not been socialised or nationalised; the railways, Obregon announces, will be returned to their private owners. A few public schools have been opened. Many promises of social betterment have been made; millions of gold pezos have been spent in festivities in commemoration of Mexico's independence—1821-1921. But the Mexican workers, as a whole, are in the same position as their European and American fellow-workers—they are wage-slaves with nothing to lose but poverty and misery and a world of strength and happiness to gain.

Mexican Workers Under Obregon

Out of a 15,000,000 population there are less than 200,000 factory workers; 500,000 miscellaneous workers toil in the cities; petroleum, railway, coal and metal workers number, say, 100,000 to 150,000. Several thousand young women are employed in shops and mills at starvation wages. In coffee and cigar factories less than a shilling a day is paid.

The workers' organisations are very badly developed, and the regular Trade Unions are of the type of the American Federation of Labour. The head of the Mexican Labour Federation is a second edition of Samuel Gompers. He is head of the Government ammunition works, chairman of the Labour Party, an astute politician, and in a position to help with Labour votes the candidate running for office. Morones, Gompers and Company practically run the pan-American Federation of Labour. Both gentlemen mobilise the workers of their respective countries in the interests of their Governments. They are Capitalism's faithful servants.

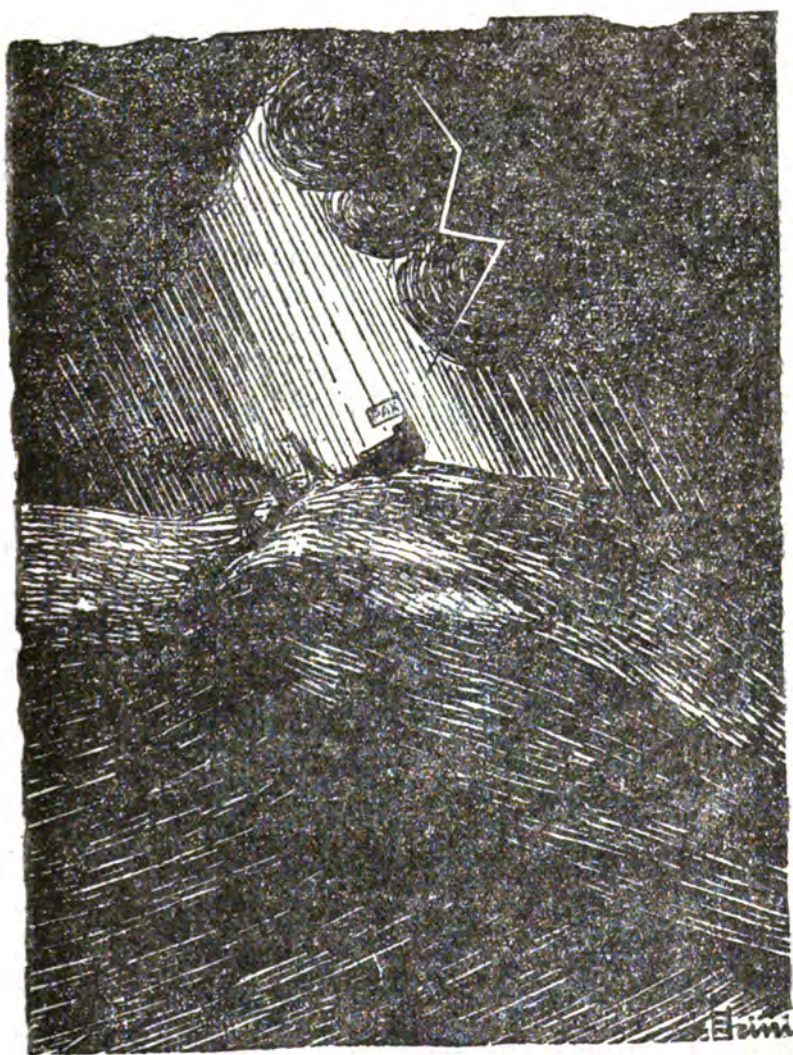
In February, 1921, an organisation of revolutionary workers was created in Mexico City. There were fifty delegates from twelve States, representing forty thousand workers—all workers and peasants—all professionals were excluded. They declared for the Red International and called for industrial solidarity as against the craft Unionism of Morones and Gompers. This group is known as the "Confederacion General de Trabajadores." Many leaders of this group have been deported. Needless to say, neither Obregon nor Gompers favour this form of Trade Unionism.

The Mexican workers are permeated with anarcho-syndicalist thought, largely of Spanish origin. Even the radical group, just mentioned, are more Anarchist than Communist or Marxist or even I.W.W. "To hell with Church and State" is the slogan of many of the leaders. This is both good and bad. Splendidly militant, most of them, their strength is their weakness, especially when a strike is declared. Fearful of centralised authority, they are being whipped to a standstill in the class struggle now on in the

The Labour Monthly

various Latin Republics. In all these countries the Government and Mother Church are the bulwark, the main defence of Capitalism. Both preach democracy, liberty and fraternity, and practise centralisation and dictatorship with a ruthlessness equalled only by the iron heel of North America. Mexican and other Latin-American workers are learning these days, and will continue to learn, the brutal truth that *organised* robbery and superstition always accomplish more than *unorganised* working-class honesty and intelligence. Unto the strong and wisely organised alone is given victory! All hail working-class solidarity!

PEACE



"The Pacific after the Disarmament Conference."—*Avanti*.

THE UPSHOT OF WASHINGTON



"Each nation shall be bound to limit its armaments within its material and financial capacity."—*Humanité*.



"The High Contracting Parties solemnly bind themselves henceforth to allow no others to steal, except themselves."—*Notenkraker*.

FRANCE IN PEACE TIME



[The Black Sea Mutineers have been deported to Africa.]
"You are sure they will leave their bones rotting there?"
"They will not even stand the journey!"—*Humanité*.



"Reception of Briand on his arrival home from the Disarmament Conference to celebrate the Festival of Peace."—*Le Canard Enchaîné*.

THE BRITISH COLOSSUS



“Aha! The bases of the British Colossus are getting worm-eaten.”—*Avanti*.

The World of Labour

INTERNATIONAL

New Tendencies Among the Labour Internationals

AT a conference of the Bureau of the Vienna International Association of Socialist Parties, on December 19, at Frankfurt-on-Main, it was decided to take steps to summon at an early date a conference of all Socialist and Communist Parties of the countries immediately affected by the Peace Treaties to consider the possibilities of united action on questions of reparation. This is the first definite step which has been taken by the so-called Socialist Centrist Groups, the strongest of which on the Continent is the German Independent Socialist Party and the Austrian Social-Democratic Party, to bring together on a practical question the various wings of the International Labour movement, organised in the hitherto hostile camps of the Second and Third Internationals. Almost at the same time the Central Committee of the German Communist Party sent a request to the Executive Committee of the Third International that the latter should take steps to bring about a working arrangement between "all International Labour organisations," including the Red Trade Union International, the Amsterdam Trade Union Bureau, the Vienna International Association of Socialist Parties, and the Second International. The working arrangement should concern a common line of action over the following points:

- (1) The international annulling of war loans.
- (2) Disarmament.
- (3) The prevention of acts of aggression of French Imperialism, such as the forcible occupation of the Ruhr.
- (4) The securing of full recognition of the Russian Soviet Government.
- (5) The securing of credit for reconstruction of Russia and for fighting the famine.
- (6) The securing of international recognition of the eight-hour day.

The Labour Monthly

Shortly after this step of the German Communist Party the Executive Committee of the Red Trade Union in Moscow sent an invitation to the Amsterdam Trade Union Bureau to discuss the possibilities of the prevention of a split in the French Trade Union movement. There is every reason to believe that this move is indicative of a new line of policy which has been decided upon in Moscow towards the Second International and the Amsterdam Trade Union Bureau. There can be little doubt that the new economic policy of the Russian proletarian State has not been without its influence upon the Third International, since the most immediate necessity of Russia at the present moment is the securing of assistance from the Western Labour movements for famine relief and import credits. Moreover, the catastrophic state of the finances of Central Europe, and the continued bad trade and unemployment, is not without its influence upon the Labour organisations of the West, making a rapprochement with Moscow not only desirable but a paramount necessity.

Statistics of the Communist International

According to recent information in *Pravda* there are Communist organisations in fifty-one countries, with a total membership of 2,800,645. The party strength is given relatively as follows in the various countries: Russia, 550,000; Germany and Czecho-Slovakia more than 300,000 each; France, 130,000; Norway, 97,000; Jugo-Slavia, 85,000; Italy, 70,000; Ukraine Soviet Republic, 61,000; Bulgaria, Rumania, Finland, 40,000 each; Austria, 18,000; Azerbeidjan, 16,000; Sweden, 15,000; North America, England, Georgian Soviet Republic, Gorsk Soviet Republic, and Spairi, 10,000 each. In the remaining thirty-two countries the membership is less than 10,000; the totals falling to 900 in Japan, 750 in South America, 600 in Luxembourg, 500 in Palestine, and 400 in Portugal. The Young Communist International membership is estimated at 800,000.

The total number of Communist daily papers published is 646; of these 500 appear in Russia, 45 in the Ukraine, 33 in Germany, 14 in Norway, and 7 in Czecho-Slovakia. Three hundred and fifty-one weekly papers and periodicals are published; in Russia, 69; Czecho-Slovakia, 46; North America, 31; Norway, 22; France, 20; Italy, 12; Sweden, 10. The Young Communist International publishes 50 weekly papers.

The World of Labour

Statistics of the Trade Union International

The most recent available statistics (July, 1921) published by the International Federation of Trade Unions of the position of the affiliated Unions is :

The Argentine	749,518	Italy	2,055,773
Austria	1,000,000	Jugo-Slavia	25,000
Belgium	718,410	Latvia	30,000
Bulgaria	4,000	Luxembourg	27,000
Canada	260,000	Norway	150,000
Czecho-Slovakia	740,000	Peru	25,000
Denmark	279,255	Poland	403,138
England	6,600,000	South Africa	60,000
France	1,500,000	Spain	240,113
Germany	8,000,000	Sweden	277,242
Greece	170,000	Switzerland	223,588
Holland	216,581		
Hungary	152,441	Total.....	23,907,059

AUSTRALIA

New Labour Party Programme

AN Interstate Labour Conference of great importance was held at Brisbane, October 10-15, to ratify the socialisation programme drawn up at the All-Australian Trades Union Congress, held at Melbourne in June, 1921. Both Right and Left Wings of the Party joined in the ratification of the new basic principles which are embodied in the following resolution :

OBJECTIVE : "The socialisation of industry, production, distribution and exchange."

METHODS : 1. That, for the purpose of achieving the objective, constitutional methods of industrial and parliamentary action shall be employed.

2. That in recognition of the fact that this is an era of social production, this conference declares craft organisation as a working-class weapon is obsolete, and pledges itself and all its future representatives to organisation of the workers along the lines of industry.

3. The nationalisation of banking and all principal industries, and the municipalisation of such services and supplies as can best be operated in limited areas; adult franchise and extended powers to be granted to municipalities for this purpose.

4. The government of nationalised industries by boards, upon which the workers in the industry and the community shall have representation.

5. The establishment of an elective supreme economic council by all socialised industries.

6. The setting up of Labour Research and Information Bureaus and of Labour Educational Institutions, in which the workers shall be trained in the management of nationalised industries.

The Labour Monthly

7. That all parliamentary representatives be required to function as active propagandists of the objective and methods of the movement.

8. That this conference affirms the desirability of making an endeavour to unite politically all the elements in the coming fight and that all the men who have been connected with the Australian Labour Party and who have continued to fight for the working class be included, if they so desire, in the Australian Labour Party without loss of continuity of membership.

The Conference further demanded the settlement of all international disputes by arbitration, and condemned war as "barbarous"; Councils of Action were advocated as a method of getting into touch with other Labour organisations so as to prevent future wars.

The Organised Workers' Group in New South Wales

A special Trade Union Conference was held in Sydney on October 4, 54 Unions being represented by 110 delegates. The Conference concentrated on drawing up a scheme for the formation by the New South Wales Trade Unions of a body, styled the Organised Workers' Group, which constitutes a new experiment in the political representation of the New South Wales workers. This new plan would lead to the direct control of the Australian Labour Party, the present political expression of the Trade Unions, by the Group affiliating en bloc to the A.L.P. in place of at present as individual Unions.

The Group is avowedly revolutionary in character, as the objects and method here reproduced show. As yet, however, the new scheme has not been put into operation.

The resolution ratifying the formation, rules and organisation of the Organised Workers' Group was passed by 60 votes to 2; the constitution, objects, method, and international orientation are therein declared as follows:

NAME.

1. The name of the Group shall be the *Organised Workers' Group of New South Wales*.

CONSTITUTION.

2. The Group shall include all recognised Unions of New South Wales.

OBJECTS.

3. The Organised Workers' Group is an industrial organisation whose aim is to destroy the present Capitalist system, which is based upon private ownership of the means of production and distribution, and to establish in its place communal ownership and control through Industrial and Social Administrative organisations of the working class. This form of ownership, once established, would bring into harmony the form of ownership and control with the form of production.

The World of Labour

METHOD.

4. Realising that the Capitalist Parliamentary institutions, local and national, are simply executive committees of the capitalist class, and in the furtherance of the objects therein defined, the following methods shall be employed by the Organised Workers' Group :—

(a) The combination of all organised workers of New South Wales into one industrial Group, for direct political action;

(b) The political organisation of the workers so grouped for the overthrow of the Capitalist Political State;

and countenances participation in Parliamentary action solely and expressly for the promotion of revolutionary propaganda.

INTERNATIONAL.

5. Realising that the rapid development of Capitalist production and distribution has resulted in the creation of an International Capital Structure, wherein the fate of all Capitalist Governments is involved;

And realising that only by International organisation on revolutionary class lines can the workers successfully oppose and overthrow International Capitalism;

The Organised Workers' Group hereby declares for adherence to the Red Trade Union International.

FRANCE

The Trade Union Conflict

THE long-drawn conflict of the Left and Right Wings in the French Confederation of Labour (C.G.T.) has reached a culminating stage with the holding of a National Left Wing Congress at Paris on December 22-24. The Congress was summoned by the Revolutionary Committee, or C.S.R. (Comité Syndicale Révolutionnaire), and its object was proclaimed to be (1) to make a final effort to save the unity of the C.G.T.; (2) to secure the cancellation of the expulsions which have been made by the official Right Wing, and are reported to number 100,000; (3) to unite the workers in resistance against the employers' offensive.

The response to the invitations to the Congress was extraordinarily large; and the number of Unions registered as taking part was 1,564. If this figure is correct, it means that the former Minority (who at Lille last June obtained 1,352 votes against 1,572 for the official Executive) has now become the Majority; but the figure is disputed by the C.G.T. officials.

The Congress decided to send a deputation to the C.G.T. officials to urge the necessity for calling a general conference to establish unity. As an earnest of their goodwill the Unions affiliated to the C.S.R. decided to disaffiliate from it, in order that there should be no obstacle to unity. The appeal of the Red Trade Union Inter-

The Labour Monthly

national to the Amsterdam International to intervene on behalf of unity is referred to on p. 80.

The C.G.T. officials were not to be found when the deputation arrived; and a notice was publicly issued to the effect that the Bureau could entertain no proposals from an "irregular assembly." This action convinced the Congress of the futility of further parley; and a provisional committee, with new officials, was elected to maintain contact with the constituent Unions until the position was regularised. A small minority still adheres to the C.S.R., which may create three sections in the C.G.T. should the Congress proposed in the following unanimous resolution fail to reconcile the conflicting elements in the two sections of the C.G.T. :—

RESOLUTION OF THE LEFT-WING TRADE UNION CONGRESS, DECEMBER 24, 1921.

This special Unity Congress, having tried every means to arrive at agreement and by the secession from the C.S.R. given the most incontestable proof of its desire for Trade Union unity, places on record the reply of the Confederal Bureau denying the undertakings, given to the deputation which waited upon it, which closed the door on further negotiations.

This Unity Congress, after a complete examination of confederal administration since the Congress at Lille up to the present, declares :

1. That the resolution voted at the Lille Congress by 1,572 votes to 1,352 did not foresee any exclusion of Trade Unions guilty of defection; that the national executive committee in September was guilty of a flagrant violation of the context and spirit of the resolution by interpreting it to be one of exclusion, and approving any exclusions pronounced on its authority;
2. That the autonomy of the Unions, as recognised in the Statutes of the Confederation, has been violated;
3. That the executive committee, of which the arbitration committee is a part, by taking sides publicly from the beginning of the railway dispute and favouring the Montagne Bureau, disregarded the wishes of the majority at the special railway congress, and by behaving in a biased way became disqualified to act as arbitrator in the quarrel;
4. That the administrative committee, which, according to a decision of the Lille Congress, was to examine the administration of Le Peuple, has not yet met;
5. That the Lille Congress decided in favour of a woman's secretariat, and that nothing has been done about this matter;

and considers that all these charges against the executive constitute a flagrant violation of the statutes of the Confederation, which it ought to carry out and administer.

This Congress, finally, is of opinion that the expulsion of Trade Unions, federations, and departmental Unions and the formation of disaffected minority Unions are acts which constitute a split; still it believes that Trade Union solidarity may yet be possible within the C.G.T. despite

The World of Labour

the disruptive aims pursued by the executive. Such unity can only be attained by the workers themselves meeting in an extraordinary confederal congress which should be convoked in the first quarter of 1922: only organisations affiliated at the time of the Lille Congress should participate in this congress.

The duty of convoking this congress of the C.G.T. will devolve on the executive of the Unity Congress if the national executive take no steps to do so before January 31 next; the present official Bureau will then be declared dissolved and a new executive elected to replace it.

But in view of the expulsions which have taken place since the Lille Congress, and the recent resolution of the Executive Committee strengthened by the notice issued to the Press this very day, which decrees that all organisations and Trade Unionists represented at this Unity Congress are expelled from the C.G.T., this Unity Congress decides from January 1 on the provisional suspension of the collection of tickets and confederal stamps from the headquarters of federations, departmental Unions, and the C.G.T. which approve of the expulsion and disruptive policy of the executive and the Confederal Bureau.

In order to remain in contact with all the Unions represented at the Congress, until a regulated condition of affairs is established, this Congress elects a provisional executive committee whose duty it will be to issue by January 1 cards and stamps and see to their distribution so as to make a public registration of the Unions.

This Congress closes with the unanimous affirmation of all the Trade Unions of their devotion to Trade Union solidarity, despite the disruptive confederal tactics, just as it also affirms its adhesion to the Charter of Amiens as the fundamental charter of French Trade Unionism.

Having made known these decisions to the workers, the Congress leaves all responsibility for their execution to the executive of the Confederation. All the Unions, and militants, present at this Congress, no matter what their tendency, undertake to make all the necessary propaganda in favour of Trade Union solidarity.

The Executive Committee of the *Confédération Générale du Travail* decided on the following document on December 26, in reply to the Unity Congress' resolution, thus clearly expelling the majority of the members of the Confederation:—

The executive committee of the C.G.T. declares that it should take no account of decisions or resolutions voted by an unofficial congress, the summoning of which marks in itself a breach of discipline. It maintains that the number 1,500 reported as indicating the members represented is false, and grossly exaggerated in the absence of all control by the federations and departmental Unions. That, besides, this figure includes numerous Unions not belonging to the Confederation; thus a great number of the votes represent merely Trade Union minorities.

The executive estimates the number of Unions regularly affiliated to the C.G.T. at 3,996, and states that not one vote registered at this so-called congress was authorised.

Without going into the details of the resolutions voted, the executive committee again proclaims that those published in the Press create a divi-

The Labour Monthly

sion in the ranks of the workers and constitute a split. This split becomes concrete by the election of an executive in opposition to that elected by the National Confederal Committee, and by the issue of cards and stamps other than those of the Confederation.

This desire for secession cannot be shrouded in the expression "provisional" applied to organisations established outside the C.G.T. and in opposition to it.

Faced with the refusal to comply with financial obligations, and that discipline indispensable to all organisations, the Executive Committee of the C.G.T., in its desire to safeguard the unity of working-class organisation and action, decides :

To make direct delivery of the C.G.T. cards and stamps to Unions and minorities which respect working-class discipline.

The Departmental Unions and the National Professional Federations, having proved that the Unions refuse to accept the stamps, ought then, in agreement with the Confederal administration, to adopt any measure useful to ensure the continuance of the organisation, and enable those affiliated to carry out their obligations.

The Executive Committee will apply, as authorised, all the resolutions voted at the National Congresses and Committees which have proclaimed that the unity of proletarian organisation and action is incompatible with ignorance of discipline and the violation of decisions arrived at in common.

Communist Congress at Marseilles

The French Communist Party Congress was held at Marseilles, December 25-30, 1921. This was the first Congress called since the formation of the Party, as the outcome of the French Socialist Congress at Tours, December, 1920. Frossard, the general secretary, made a favourable report on the year's work and explained the new plan to divide up France into fifteen propaganda regions; also the establishment of a National Council consisting of eight representatives for the provinces and eighteen for Paris, who would meet at least once a month or more often if necessary.

The strength of the French Communist Party is estimated at 130,000, a figure not likely to increase with uniform rapidity owing to the political and economic conditions prevalent in France.

The Marseilles Congress, as the first Congress since the formation of the Party, had to lay down the main lines of the Party policy, and, in addition to the General Policy resolution here reproduced in full, important resolutions were adopted with regard to agricultural policy, Trade Union policy, and electoral policy. In regard to agricultural questions, an issue of obvious importance in France with its numerous small peasantry, the view of the majority of the Congress was that a sudden economic transformation could not be brought about in rural districts without similar experiences to those of Russia; and that in consequence the policy should be to give the peasant the land, by education to encourage the increase of production, and to

The World of Labour

provide good schools for the children to train them out of the old individualist traditions. On electoral policy there was a sharp division of opinion, owing to the vexed question of the second ballot: the resolutions, adopted by 3,244 votes to 1,087, laid down the principle of employing Parliamentary and municipal elections as a forum for propaganda, and instructed Communist candidates to keep clear of any *bloc* with other parties; and in the second ballot, either to continue independently, if there was any chance of increasing the vote, or else to retire. Trade Union policy also produced a division of opinion: the resolution, adopted by 3,963 votes to 372, disclaimed the intention of subordinating the Unions and the Party, and proclaimed the activity of individual members of the Party within the Unions.

Sharp personal issues were raised at the Congress by the criticisms which the Party representative at Moscow, Boris Souvarine, had made of leading members of the Party, whom he accused of a leaning to opportunism. In the Executive elections Souvarine was at first not re-elected. In protest at this, Lorient, who had been elected, resigned from the Executive, and was followed by Vaillant-Couturier, Dunois and Treint. Their protest was successful in that the election which followed to replace them resulted in the re-election of Souvarine.

The Executive of the Third International was represented by Bordiga, the Communist Party of Italy by Tasca, and of Germany by Neumann.

The General Policy resolution, which was passed with one dissentient vote, runs:—

This Congress, absorbed in questions appertaining to general policy and the conduct of the Party, declares that the solution of the great difficulties which arose from the Socialist Party split at Tours and all the political and economic events of this year has been achieved in a most satisfactory manner.

It records with joy and pride the encouragement given to it by the International; and is resolved to double its efforts so as to deserve more fully such confidence and approval. With the International it condemns the omissions of the Right opportunists and the incoherent inopportunism of the Left, hitherto non-existent in France.

Criticisms, some of which are absolutely justified, have been levelled against the retiring Executive. Still, nobody within the Party can deny the unceasing labour and volume of work of the Executive.

Whilst rendering praise for the work accomplished, the Party may give certain indications to the Executive for the future.

The Parliamentary Group.

Apart from certain happy and daring acts of some comrades, the work of the Parliamentary Group has been weak. It is of importance that

The Labour Monthly

the Communists elected to the bourgeois Parliament, although few in number, should play a more clear-cut revolutionary rôle, thus attracting the attention of the masses in a greater degree. It is specially important that the group, acting in concert, should prevent certain individual actions not compatible with Communist principles. This Congress recalls, that in virtue of the new statutes of the Party, the Parliamentary group is placed under the immediate control of the Executive.

This Congress is in agreement with the Executive that to avoid the recurrence of certain mistakes in tactics, a candidate should in no case make capital out of favourable opinions expressed by members of enemy parties.

The Party and the Trade Unions.

The Party deeply deplores the threatened split within the ranks of the organised workers due to the tactics of the confederal officials. It declares its determination to double its efforts to ensure a united front, quite apart from the international aspect of the case, and to group together the proletariat both of town and country on this revolutionary basis in all struggles, whether partial or otherwise, which affect the vital interests of the workers. The French Communist Party declares its readiness to prove to the masses the treason of the reformist leaders, and to make clear to the workers of France and the International that for Communists of this country there is no possibility of collaboration with officials allied to the bourgeoisie and the Government, or, with Trade Union officials who have abandoned the class struggle.

The Duty of the Executive.

In agreement with the thesis of the Third International, the French Communist Party declares for a democratic centralised direction of the Party, in preference to oligarchic centralisation, which both the International and all the Party members have rejected. Besides, it is only during the time of civil war that power need be concentrated in but a few hands.

It will further be the duty of the Executive to keep in direct touch with the membership of the Party and to evoke to a large extent the suggestions which emanate from branches and federations.

The Executive Committee should be allowed to carry out its difficult duties, and be spared all minor cares. For this purpose the establishment of an Executive Bureau is desirable to speed up administration, and prepare the work of the Executive Committee, thus enabling it to concentrate on all matters of essential importance. Such a change is possible without any alteration in the statutes necessitating a special conference. In matters of urgency the General Secretary and Executive Bureau should summon the Executive Committee without delay. The General Secretary, however, in concert with the Bureau, may make decisions in matters of extreme gravity, which the Executive Committee would be required to ratify.

No More Personal Inveective.

This Congress deplores the polemics which recently disturbed French Communism and gladdened our opponents, though it rejoices at the manifestations which give proof of the revolutionary unity of the Party. It commends the Executive's recent action in calling on comrades to

The World of Labour

desist from personal invective, though unfortunately it was ignored by some. Therefore it empowers the Executive Committee to concentrate on all efforts to prevent any similar recurrences.

The Party enjoys full liberty to discuss ideas, but personal invective should be banished from the Communist family, and the more highly placed in administrative positions, the more one should abstain from attacking other members of the organisation.

All differences ought to be settled within the ranks of the Party, and not on the public square for the gratification of our enemies.

Control of the Press.

This Congress invites the Executive Committee to organise the control of the Party Press. The editing and management of *L'Humanité*, *Internationale*, *Bulletin Communiste*, ought to be carried on in such a way as to give no cause for the charges of personal influence.

Political journals, not the property of the Party, but run by members of the Party, are by right under the Party control. They should not serve to stir up discord within the Party by backing personal invective or by defending opportunist tactics condemned at Tours Congress and by the International. In this connection the Executive Committee will be obliged to take swift and energetic action.

The Party and the International.

The Party is specially anxious to preserve the best relations with the International. It fully recognises the work of the delegate of the Executive to the International in bringing about a close connection and union with it. The Congress maintains that no differences of political opinion have existed between the Executive Committee and its representative. Still it is of the greatest importance that perfect harmony of agreement should exist between the Executive Committee of the Party and the delegate to the Executive at Moscow. With a view of solving certain difficulties in this respect the Congress notes the decisions communicated to the Party by the International. It gives full power to the Executive Committee to take any measure necessary to prevent the relations between the Party and the Executive from being interfered with in the future.

This Congress sends fraternal salutations to the International and to the Russian revolution, together with the assurance of its entire solidarity. It maintains the determination of the French Party to persevere in the line of action adopted at Tours, and to develop all its forces for revolutionary action, adhering to the rules laid down by the International Congress at Moscow.

GERMANY

National Congress of Metal Workers' Factory Councils

THE first National Congress of the German Metal Workers' Factory Councils met from December 6 to 9 in Leipzig. These Councils represent one of the real gains of the revolution of November, 1918, and the Congress is the fruits of the Factory Councils Act, which passed the Reichstag in January, 1919. The

The Labour Monthly

Congress was addressed by a number of prominent Socialist and Trade Union leaders. Professor Lederer, in a long speech, pointed out that only since the war could it be said that something approximating to a world economic system was in process of formation. It was accelerated by the constant cycles of crisis in Capitalism. Whether this crisis would be the last, he was not prepared to say. Much depended on whether the working-class masses acquired in the coming years a consciousness of the need of Socialism to save society.

The Independent Socialist leader, Hilferding, maintained that the production process in Capitalism since the war had not only not broken down, but was actually strengthening. He instanced German agriculture, which in 1920 had a production 40 per cent. below pre-war average, while in 1921 it was only 20 per cent. But if capitalist industry was, in his opinion, strengthening, State finances in capitalist countries were going from bad to worse; in Germany this was particularly so.

Speaking on industrial organisation since the war, Dr. Einstein traced the tremendous developments of trusts. Originally the tendency was for the creation of vertical "kartels" with price agreements between the same branches of industry. Since the war the vertical trust had developed at an amazing rate. Capitalism was doing this for two reasons; firstly in order to eliminate competition, and secondly in order to escape Socialisation, which was more difficult to carry out, if one industry, for instance, was linked up with the other branches of industry by amalgamation. The influence of the great finance magnates on the apparatus of the State was becoming greater every day. It was necessary that Labour should organise on the same lines as Capital, in order to be able to take over the control of production at the right time.

In the discussion speakers pointed out that the present Workers' Council Law was inadequate, because, according to paragraph 50, it was not permissible for Workers' Councils to organise in units larger than the factory. The extension of these Councils to comprise the whole branch of industry or whole districts was forbidden in Germany. Thus the capitalists had, through the law, secured that, though Labour might organise industrially, it should not do so in such a way as to become a menace to its monopolist powers. The Congress passed a resolution demanding the amendment of the law, so as to make an extension of the Workmen's Council units to comprise whole industrial concerns. It was also decided that at the next Congress the mental and manual workers should sit together.

After a report by Otto Graf, who has charge of the educational section of the Councils, it was decided to establish a training institution on the same lines as the Central Labour College in England.

The World of Labour

A resolution moved by some of the Communist members of the Congress, demanding the speedy summoning of a National Congress of Workmen's Councils of all industrial branches, was turned down on the grounds of technical difficulties at the present moment. Another resolution was unanimously passed calling for a revision of the Peace Treaty, an increase in the percentage of reparations paid in materials as against that paid in money values, a moratorium and an international credit action. Also, in regard to internal affairs in Germany, the resolution demanded the balancing of the budget, increase of direct taxation, and State mortgage on industry.

State Assistance for Small Bondholders

In view of the increasing pauperisation of the holders of State loans and bondholders with small fixed incomes, the German Reichsrat (council of representatives of the German States together with those of the Reich) has decided to set aside 100 million marks for the purpose of assisting this class of the population. Each State in the Reich receives a proportion of this sum in accordance with its population. The term "necessitous small bondholder" shall apply to all persons, who, before January, 1920, had saved against old age the sum of 600 marks or less, and who at the present moment are largely, or partly, dependent on the interest derived from this sum. Persons also who have prematurely broken down in health and whose income from savings is worth only a fraction of its gold value, owing to the depreciation of the mark and the rise in prices, receive consideration.

New Regulations for Workmen's Income Tax

According to the new taxation law, passed by the Reichstag on December 17, the following concessions are granted to the possessors of small incomes and wages in respect of income taxes. The amount of 10 per cent., which hitherto has been deducted from wages and salaries up to 24,000 marks, is, after January 1, deducted from wages and salaries up to 50,000 marks. The 15 per cent. deduction is made now from wages and salaries between 50,000 and 60,000 marks, and over this figure 20 per cent. For incomes up to 50,000 marks yearly the amounts of 240 marks may be deducted in respect of a wife and 360 marks in respect of each child under age. Furthermore, a workman or person in possession of salary up to 50,000 marks may deduct up to 450 marks yearly for sickness and accident insurance, Trade Union payments and levies, and the cost of journeys to and from the place of occupation and work, and also for expenses connected with the purchase of working-day clothes and implements necessary for his trade.

The Labour Monthly

INDIA

Trade Unionism and Labour Conditions

THE Indian Trades Union Congress met at Jharria on December 1-6; it was attended by an audience of about 20,000. The tenor of the Congress was more political than Labour, and unanimous resolutions were adopted for Swaraj (home rule) and Swadeshi (use of home manufactures) without which the workers could not be liberated from their present subjection and exploitation.

At the last session of the Indian Legislative Assembly, a resolution, tabled by Mr. Joshi, helps to illustrate the condition of servitude in which Indian workers still are, despite the attempt at organisation begun by the Trades Union Congress. This resolution contained the demand for the repeal of the Workmen's Breach of Contract Act, and the removal from the Indian Penal Code of sections 490 and 492, which permit imprisonment for certain breaches of contract. Under the Breach of Contract Act a worker who fails to fulfil his contract of service, having received an advance of money from his employer, is liable to be called on to repay the advance or fulfil his contract, failing which he can be imprisoned. This law was passed shortly after the Indian Mutiny, and embodies in fact the chief feature of indentured labour. The Assembly, after much debate, agreed that there was a strong case for the repeal of these laws, and consented to introduce legislation to that effect if, after consulting the Local Governments, the majority favoured repeal.

In the near future attempts are to be made to introduce measures which will ensure the registration of Trade Unions, the establishment of joint committees on the lines of the Whitley Councils, so as to enable discussion to take place between employers and employees with a view to preventing strikes, and the introduction of legislation to ensure compensation to workers. The English law on this subject will probably be taken as guide.

RUMANIA

A Trade Union Congress

A CONFERENCE, claiming to be the first official Congress of the Rumanian Trade Union Federation since 1915, met at Kronstadt on October 20-23, thus signalling the renewal of open Trade Union activity under Government approval. A conference arranged in 1920 was frustrated by the arrest of the majority of the Trade Union leaders at the Socialist Congress; the organised membership at that date was 300,000. Since that time the movement has suffered from Government persecution, which included anti-strike legislation. According to the *Viata Sindicala* ("Trade Union

THE LABOUR MONTHLY

A Magazine of International Labour

VOLUME 2 FEBRUARY, 1922 NUMBER 2

Editor : R. PALME DUTT.

C O N T E N T S

Notes of the Month	- - -	Page 103
International Unity		„ 111
I. Moscow's Declaration		
II. Vienna's Declaration		
Vienna on Moscow		
By R. C. WALLHEAD		
Germany After Cannes		
By M. PHILIPS PRICE	„	133
The Crisis in Indian Nationalism		
By EVELYN ROY	„	146
A Controversy on Violence		
By GERALD GOULD	„	158
and WILLIAM PAUL	„	166
Cartoons of the Month	- - -	„ 172-175
The World of Labour	- - -	„ 176
International — Czecho-Slovakia — France —		
Germany — Hungary — India — Japan —		
Russia—South Africa		
Book Reviews	- - -	„ 188
Is Capitalism Recovering ?	M. P. P.	
A German Dictator	J. T. W. N.	
The Epic of Oil	G. H. M.	
Anatole France and Others	G. S.	

The Labour Publishing Company Ltd.
6 Tavistock Square
London
W.C.

The Labour Monthly

DIARY OF

BOURGEOISIE

January, 1922.

- | | |
|-------------|--|
| 1. FRANCE | Budget passed. National Debt, 328 milliards of francs. |
| 6. CANNES | Cannes Conference of Supreme Council. British proposal adopted for Economic Conference, including Germany and Russia, at Genoa in Spring. Anglo-French Pact under consideration. |
| 7. IRELAND | Treaty approved by Dail by 64 votes to 57. |
| 9. GENOA | Russia accepts invitation to Genoa Conference. |
| 10. „ | Lord Grey, speaking at Bristol, opposes Genoa Conference. |
| IRELAND | Griffith elected President of Dail. |
| BRITAIN | Trade Returns for 1921 show Imports £1,086 millions (decrease £845m.); Exports, £703 millions (decrease £631m.). |
| 12. FRANCE | Briand resigns. Break-up of Cannes Conference. |
| 13. GERMANY | German Reparations decision temporarily postponed: meanwhile Germany to pay 31 millions gold marks every 10 days. |
| 14. IRELAND | Treaty ratified by Southern Parliament and Provisional Government formed under Michael Collins. |
| 15. FRANCE | Poincaré Prime Minister. |
| 18. GENOA | Trotsky declares: "Russia and Germany will do everything in their power to make the Conference a success; if America remains aloof, the Conference must fail." |
| 19. BRITAIN | Mr. Chamberlain declares Government will have to reduce expenditure £150—200 millions "to make both ends meet." |
| 21. „ | Mr. Lloyd George at National Liberal Conference (Coalition Liberals) calls for united front against Labour. |
| 22. EGYPT | National Delegation declares for boycott of British goods. |
| 30. „ | British Government proclaims readiness to recognise Egypt as "sovereign State" conditionally on "full effective guarantees"; Lord Allenby summoned for consultation. |

The Labour Monthly

THE MONTH

LABOUR

UNIV. OF
CALIFORNIA

January, 1922.

1. SOUTH AFRICA Coal miners' strike on the Rand (p. 186).
4. BRITAIN Labour Memorandum on Foreign Policy calls for (1) revision of indemnity proposals, (2) cancellation of inter-Allied debts, (3) international economic conference and promotion of international credits, (4) recognition of Soviet Russia.
8. GERMANY Independent Socialist Congress at Leipzig (p. 179).
9. SOUTH AFRICA Gold miners' strike on the Rand (p. 186).
11. IRELAND Labour Party and T.U.C. Manifesto declares "the hour has now struck for the workers to emerge from the shade and aim at a Workers' Republic."
13. ITALY General Confederation of Labour National Council decides in favour of Socialist Party control of political issues and co-operation with bourgeois parties; "Revolution having failed, we must decide for evolution."
- SWITZERLAND Trade Union Congress opens.
- BRITAIN Net wage reductions registered for 1921, £6 millions a week for 7 million workers. Unemployed under Insurance Act 16 per cent. against 6 per cent. at beginning of year.
- " T.U.C. General Council issues circular to Unions for replies by March 24 to proposals for power to levy in assistance of Unions resisting an attack on general standards.
15. INTERNATIONAL Vienna Bureau Manifesto for All-In Conference (p. 126).
19. BRITAIN Inkpin appeal dismissed.
- ITALY Socialist Party opposes C.G.L. policy of collaboration.
22. CZECHO- Trade Union Congress opens: approves Amsterdam against Moscow by 338,447 to 222,027 votes (p. 177).
- SLOVAKIA
23. INDIA Factory Act Amendment (p. 183).
- BRITAIN Scottish Railways National Wage Board decision extending hours.
27. " Engineers' Ballot rejects Executive overtime recommendations by 50,240 to 35,515.

70 11111
ABSORBIAO

NOTES of the MONTH

Unity—True and False Unity—The Lesson of the Past—
The Lesson Repeated—Unity of Action, not Organi-
sation—Specific Tasks—M. Longuet's Interlude
—The Break-up of Washington and Genoa
—The British Political Crisis

EVENTS in the Internationals are moving very fast. The old controversies are giving way to a new stage: and already it is clear that all sides are ready for a general conference with a view to forming a united practical programme. This development has come with a startling suddenness to those who were not closely following the situation. A year ago it looked as if splits and more splits were the order of the day. At the Halle Congress in Germany in October, 1920, at the Tours Congress in France in December, 1920, and at the Leghorn Congress in Italy in January, 1921, splits of extreme seriousness took place: in the two former cases the Communists were a majority, in the latter a minority; but in all three cases the effect was to mark off the opposing camps in the international Socialist world with extreme definiteness. Nevertheless, at the very same time the need and demand for unity was already beginning to make itself felt. The foundation of the Vienna International, in February, 1921, though at the time it seemed only to mark a further stage in the break-up of the International by the interposition of a third claimant, in reality indicated a new stage in the struggle: for although many of the individual members of the new body did not seem clearly distinguished from the Second International, the principles they proclaimed were no longer the principles of the Second, but instead they based themselves on a programme of international unity. At the same time, less observed, but perhaps even more significant, occurred the Open Letter of the German Communist Party (printed in the *LABOUR MONTHLY*, Vol. I., p. 151), in which, immediately after the split, the German Communists proposed a programme of united action with all other Socialist and Labour sections. This policy was approved and endorsed at the Moscow Congress of the Third International in the

The Labour Monthly

summer of 1921. In December, 1921, the Executive of the Third International definitely proclaimed the new policy of the United Front in a manifesto which is reproduced in full in the current issue. In January of this year the Vienna International issued its proposal of an All-In West European Conference, in a manifesto which is also reproduced in full in this issue. Proposals from the British Labour Party on behalf of the Second International for an All-In Conference have already for some time been put forward (see the *LABOUR MONTHLY*, Vol. I., p. 467). Thus everything is ready for a great new step to be taken, though the detail arrangements may still take some time.

ON the other hand, a warning is necessary against possible misconceptions and exaggerated hopes of the new development. The unification of the International is a great ideal: but it cannot be achieved by mechanical means. The mere coming together of the existing Internationals will in itself solve nothing. It is the spirit in which they come together that will matter. If it is in a spirit of genuine co-operation for the pursuit of definite and immediate ends in the working-class struggle, then the outlook for the future is bright. Such a path may lead in time to the establishment of a genuine single International of the working class. But if the conception is merely to bring together existing organisations in the hope of combining them into a single organisation, then not only is it practically certain that such an attempt is bound to fail, but we doubt even whether its success is desirable. We do not want again the pre-war International with its aftermath of bitter disillusion and breakdown. On this point it is necessary to be quite clear. The pre-war International was not a genuine International: its unity was hollow and unreal, and built only by a shirking of issues. An International that combined the Fabians and the Bolsheviks in a single organisation might pass the most magnificent resolutions (until examination revealed their ambiguity): but in action it was bound to break up. The division of the International during and after the war was not an emergence of new disruptive tendencies: it was a revelation of existing facts. The divisions are still too real

Notes of the Month

for any formal unification to be of value. It is necessary to-day to be more modest in our pretensions (and yet in reality more serious and exacting), and to concentrate on particular possible pieces of united action over concrete issues.

A BRIEF examination of the pre-war situation will bring home this point, which is of cardinal importance for our present problems. The pre-war International represented an attempt to establish unity at the expense of coherence. The fatal consequences of this policy can be illustrated from the two principal issues that confronted it and that still confront the international Socialist world to-day. The first of these issues was the question of Ministerial collaboration by Socialists. The issue was fought out at the Amsterdam Congress in 1904, and the decision appeared to be definite. The Amsterdam resolution declared that "Social Democracy can accept no participation in the Government under bourgeois society." This unanimous declaration of the International would appear to be as explicit as any declaration could be. But the apparent definiteness was only a façade. The resolution went on to declare that this decision was to be interpreted in accordance with the Paris resolution of 1900. The Paris resolution of 1900 had permitted collaboration under "exceptional circumstances"! It is needless to add that all circumstances are "exceptional" in the view of the individuals concerned. As soon as the real practical issue arose, from 1914 until to-day, the utter division of the international Socialist world was revealed, and the valuelessness of the façade of unity was exposed. This is a lesson which needs to be remembered in the problems of the present, because all the conditions which gave rise to it are still with us: and if we pursue the same path, it inevitably follows that we will only reach the same result.

EVEN more does the lesson apply to the other dominant issue that confronted the pre-war International, the issue of war. The Stuttgart resolution on the Socialist attitude to war is sufficiently familiar. It declared that the duty of Socialists in the event of war was "to intervene to bring it promptly to an end, and with

The Labour Monthly

all their energies to use the political and economic crisis created by the war to rouse the masses of the people and hasten the fall of capitalist domination." Once again the resolution was as explicit as any resolution can be. It was voted unanimously by all the parties of the International, from the British Labour Party to the Russian Bolsheviks. Yet once again the test of reality revealed its hollowness. Why was this? It is commonly supposed that the breakdown of the International dates from the betrayal of 1914. Yet this is not the whole story. To the outer world the collapse of 1914 came as something of a surprise. But to Socialists who had followed events the breakdown was already clear years beforehand. For at the very Copenhagen Congress of 1910, at which the policy of the Stuttgart resolution was reaffirmed, the question of its practical interpretation came up for discussion. The proposal of Keir Hardie and Vaillant for a general strike against war was brought forward. This proposal had already been before the International Federation of Trade Unions, and had been remitted to the Socialist International as a "political" question. At the Copenhagen Congress the proposal was remitted to the national sections. Accordingly, in 1910 the International Socialist Bureau circularised all the national sections with a request to report. By 1912 the total number of replies on this question, the question overshadowing all others in significance for the Labour world, amounted to four! They were from (1) the Armenian Revolutionary Federation; (2) the Commission of Resolutions of the Seine; (3) the Central Unions and Socialist Party of Denmark; (4) the Socialist Party of Finland. Accordingly, in 1912 the International Secretary again circularised the national sections, with no better success, pointing out the urgency of the subject, as August, 1914, was approaching. When the International Secretary referred to August, 1914, he had in mind the Vienna Congress, which was then due. But what came in August, 1914, was something else.

THIS is the lesson which should make us wary of vague appeals for "unity" and "a united international" without further definition of basis or policy. The divisions that have appeared in the international Socialist world since the war are a sign of health,

Notes of the Month

not weakness, in comparison with the conditions of before the war. They are a stage in advance, however painful. It is not well that the international Socialist world should be divided: but it is better that it should be honestly divided than that it should be dishonestly united. So long as the deep-seated divergencies of policy and outlook exist, it is natural that the formal differences of organisation should also exist. To complain only of the formal differences of organisation, and attempt to ignore the real differences they represent, is to behave like the politicians who complain of class-politics but do not complain of the class-division that gives them rise. The time is not yet ripe for a real united International: and any attempt to set one up could only mean the re-establishment of the dishonesties of the pre-war make-believe International. Nevertheless, the need at the present time for working-class action is urgent and desperate: and no expectations in the future will make up for the needs of the present. On the one hand the differences in the International must be maintained and emphasised until they are resolved, and not slurred over: on the other hand, there must be united international action of the working class here and now. How are these two to be reconciled? That is the problem of the International to-day. To state the problem is to see the way to its solution. We must concentrate on Unity of Action, not of Organisation.

THERE are plenty of pieces of specific work to be attempted on the international field by the working class to-day. Indeed, the principal problems before the workers in the immediate present are international. Unemployment and the attacks on the standard of living all lead straight to the international situation. Indemnities, disarmament, the recognition of Russia, the cancellation of debts—all these need to be tackled by the workingclass internationally. A united and determined campaign on any of these could produce a decisive influence. Already the action of the workers of Europe, in conjunction with the Red Army of Russia, checked the predatory designs of the capitalists on Soviet Russia. But the action was not carried through to its completion, and peace with Russia still lingers. An effort, only a fraction of that required for

The Labour Monthly

holding up the armed attacks could now establish the recognition of Russia. Yet it has not been made because there has been no connected concerted campaign. The same applies still more to the Russian famine. The failure of the workers of the West to come to the assistance of the starving millions of their fellow human beings, in anything like the proportion they might have done, is as terrible as it is humiliating. In this country the Communist Party has been running one fund (though it should be said to its credit that it has repeatedly offered to merge in any common Labour fund); the Independent Labour Party ran another for some time; the Trades Union Congress runs another. And the total result, compared with the number of organised workers, comes to a tiny fraction in proportion to wages of what the poverty-stricken Austrian workers have contributed. Again, the same applies to indemnities. It will soon be three years since the Versailles Treaty was drawn up. The protests of Labour at the time were unanimous. Yet nothing has been done: and to-day the Armies of Occupation still eat up the land; the permanent indemnity crisis drags on its monotonous course, and the competitive impoverishment of the workers of all countries, which is the real meaning of indemnities, continues unchecked. Against such a situation only the united action of the workers will avail: and the united action of the workers can only be secured by consultation and agreement. For the representatives of the Second and Third Internationals to come together and pretend to treat their differences as unimportant would be as repulsive as it would be futile. But, for them to come together and fix on particular points of an agreed programme in the immediate struggle would be a gain from every point of view.

IN this connection the initiative of the Right Wing French Socialist Party of M. Longuet during the past fortnight must be confessed unfortunate. This Party, representing a minority of French Socialists, decided in accordance with the Vienna Bureau to send out invitations for a Five-Power general conference on February 4. The invitations were despatched less than a fortnight before the proposed conference, and arrived in this country during the last

Notes of the Month

week in January. Even a national conference cannot be arranged at such short notice, still less a genuine international conference, and above all one involving the coming together of parties not previously in touch. Such a proposal looked dangerously like an attempt to forestall the coming general conference. But worse was to follow. The invitations sent out, it transpired, deliberately excluded the Communist Parties of Britain and Belgium. Further, M. Longuet announced that he did not expect the Communists of France, Germany or Italy to attend. What is the upshot of all this? M. Longuet announces that he is calling a joint conference of Socialists and Communists of five countries. But, M. Longuet hastens to inform us, he does not expect the Communists of three countries to attend, and the Communists of the remaining two he does not intend to invite. And M. Longuet calls this a joint conference. Such a parody of a conference can only damage the cause of unity.

WHAT makes the occasion for the international unity of Labour all the more manifest is, that the attempts of the capitalist world to achieve international unity are now so obviously running on the rocks. The two great attempts of Washington and Genoa are now equally under a cloud. The Washington Conference, despite attempts to revive interest at its close, has passed out of general attention; and the verdict begins to be heard that the Conference "went up like a rocket, but came down like its stick." At the same time the breakdown of Cannes revealed the fissures which still divide the European capitalist world. The Genoa Conference (which Mr. Lloyd George, with a jealous eye on the *réclame* obtained by the Washington Conference and President Harding, proclaims "the greatest international Conference ever held"), is already meeting with snags and opposition, both in this country and abroad. France and America, with their curious alliance under the guise of hostility, work together to obstruct it, as they worked together at Washington over the question of submarines. Powerful influences are trying to undermine the whole scheme of the Conference: and there is real danger that the recognition of Russia and the establishment of effective trading relations by the provision of the necessary credits may be delayed and even prevented.

The Labour Monthly

Against this it is essential that the united power of Labour should be mobilised, not only to ensure that, whether by the Genoa Conference or by any other means, full and open relations shall be established with Russia, but also to be on the alert to prevent any such Conference being utilised for the purpose of establishing an international bloc to blackmail Russia.

THE crisis abroad is reflected in the political crisis at home. The bankruptcy of the Coalition Government becomes more and more apparent in the face of a situation which no capitalist remedy can solve: and already the voices of new aspirants for power become clamorous. The staggering figures of trade decline for 1921 deal as deadly a blow to the Coalition Government in the commercial world as the figures of unemployment in the Labour world. But the new aspirants from the other capitalist parties can offer no alternative save themselves. The Grey-Cecil alternative is not an alternative: their every speech proclaims their absence of a programme. No policy that they can offer, no policy that the Coalition can devise, can solve the root evils of the situation which are bound up with the present stage of Capitalism itself. No Geddes axe can touch the real burden of public debt. No League of Nations can charm away the international entanglements of modern Capitalism. No anxious aspirations after a trade revival can remove the spectre of unemployment. The path is open for Labour as it has never been before. But the success of the Labour programme depends on its clear and absolute separation from the capitalist types of policy. Semi-Liberal formulas of peace and reform will not meet the stern realities of the situation. The complete repudiation of Versailles, the extinction of the public debt by a capital levy, the organisation of the work of the community, must be the basic principles of the concrete Labour programme. It will not be possible to tackle the economic crisis, so long as the tolls of private enterprise and the bond-holder are left untouched. It will not be possible to tackle unemployment so long as the means of employment are in other than Labour hands. The control of industry must be the supreme aim on which the political and industrial movements of Labour will need to unite. And even so, the biggest struggle will begin after, and not before, a Labour Government has come to power.

INTERNATIONAL UNITY

I. MOSCOW'S DECLARATION

(The following theses on "The United Working-Class Front" were adopted by the Executive Committee of the Communist International on December 18, 1921, and are here translated from the Moscow "Pravda" of December 18, 1921, collated with other versions.)

1. The international Labour movement at the present time is passing through a peculiar transitional stage, which confronts the Communist International

The New International Position. as a whole and also its constituent sections with new and important tactical problems. The fundamental characteristics of this stage are as follows: There is a heightening of the world economic crisis. Unemployment is increasing. In almost every country international capital has passed over to systematic attack against the workers, expressing itself first of all in the cynically frank endeavours on the part of the capitalists to reduce wages and lower the whole standard of life of the workers. The bankruptcy of the Versailles peace is becoming increasingly evident to the widest masses. The inevitability of a new imperialist war, or even of several such wars, unless the international proletariat overthrows the capitalist structure, has become evident. This is eloquently confirmed by the proceedings at Washington.

2. Under the pressure of reality the revival of reformist illusions, which, after being nearly overcome owing to the first complexion of events, had developed

The Move to the Left. among a considerable section of the workers, has now begun to give way to a very different spirit. The "democratic" and reformist illusions of certain of the workers (partly the

The Labour Monthly

most privileged workers, and partly the most backward and least politically experienced), which arose anew after the cessation of the imperialist butchery, have faded before having had time to bloom. The course and the outcome of the further "labours" of the Washington Conference will deliver a still greater blow to these illusions. If half a year ago it was still possible to speak with some degree of truth of a kind of general move to the right on the part of the working masses in Europe and America, then at the present time, on the contrary, it is possible to affirm unconditionally *the beginning of a move to the left.*

3. On the other hand, under the influence of the ever-intensifying onslaught of capital, there has arisen amongst the workers an elemental, literally irresistible *impulse towards unity*, proceeding parallel with the gradual growth of faith of wide masses of workers in the Communists. Ever-enlarging circles of workers are now for the first time beginning to appreciate the bravery of the Communist vanguard, which threw itself into the struggle on behalf of working-class interests at a time when the bulk of the workers remained indifferent or even hostile to Communism. Ever-enlarging circles of workers are now becoming convinced that only the Communists have been acting in protection of their economic and political interests, under most difficult circumstances and involving sometimes the greatest sacrifices. Accordingly, respect for and trust in the uncompromising Communist vanguard of the working class begins once more to show itself, now that even the more ignorant sections of the workers have seen the vanity of reformist hopes and have realised that, outside the class-struggle, there is no salvation from the predatory campaign of Capitalism.

4. The Communist parties now can, and should, reap

International Unity

the reward of their struggle carried on earlier under the very unfavourable circumstances of in-

Unity.

difference among the masses. But while there is developing an ever-increasing trust in the irreconcilable, fighting Communist elements of the working class, the mass of the workers as a whole are being moved by an unprecedented attraction for unity. New strata of little experienced workers, awakening into active political life, dream of the unity of all workers' parties and even of all workers' organisations in general, hoping thereby to strengthen resistance to the capitalist campaign. New strata of workers, who often have not previously taken part in the political struggle, are, once again, putting to the test of their own personal experience the practical plans of reformism. In addition to these, numbers of workers, belonging to the old Social Democratic Parties, cannot reconcile themselves with the campaign of the Social Democrats and Centrists against the Communist vanguard. They are already beginning to demand agreement with the Communists. But they have still not outlived their faith in the reformists and still largely support the Second and Amsterdam Internationals. These workers insufficiently clearly formulate their plans and intentions, but in general their new disposition leads them to desire to reconstruct a common front and to try to make the parties and Unions of the Second and Amsterdam Internationals fight by the side of the Communists against the capitalist attack. In so far such a disposition is favourable to progress. In the nature of things faith in reformism has been shattered. In the present circumstances in which the working-class movement finds itself, every serious mass advance, even if beginning only with partial slogans, inevitably involves in its course the more general root questions of revolution. The Communist vanguard can conquer only if the new strata of workers convince themselves from their own personal experience of the illusory nature of reformism and of the evils of class peace.

The Labour Monthly

5. At the first beginning of the development of a conscious and organised protest against the treachery of the leaders of the Second International, the

The Revolutionary latter held in their hands the whole apparatus of working-class organisation.

Protest. They used the principle of unity and proletarian discipline in order mercilessly to gag the voice of revolutionary proletarian protest, and to hand over without opposition all the power of the workers' organisations to the service of national imperialism. Under these conditions the revolutionary wing had to win for itself at all costs freedom of agitation and propaganda, i.e., freedom to explain to the masses the unparalleled historical betrayal which the parties and Trade Unions, called into being by the workers themselves, have been and are still perpetrating.

6. Complete liberty of action having been secured in respect of organisation to ensure *agitation by ideas* amongst the workers, Communists in all coun-

New Form of Old tries are now seeking to secure widespread and integral *unity of action* amongst the workers. The heroes of

Treachery. the Second and Amsterdam Internationals preach unity in words, but in fact act to the contrary. The social-peace reformists of Amsterdam, having failed to suppress by their organisation the voice of protest, criticism and revolutionary appeal, are now trying to get out of the blind alley into which they have brought themselves by introducing splits, disorganisations and organised sabotage into the struggle of the working masses. One of the most important tasks for Communists at the present time lies in exposing by deeds this new form of the old treachery.

7. Deep-seated internal processes, which owe their inception to the general economic position of the working class in Europe and America, have lately,

Reformist Treachery however, in turn forced the diplomatists and leaders of the Second, Two-and-a-half and Amsterdam Internationals to

to Unity.

International Unity

emphasise the question of unity on their part as well. But while for those strata of the workers who are newly awakening to conscious life, and are still little tried, the cry of the united front is the expression of a genuine and sincere desire to combine the forces of the oppressed classes against the assault of the capitalist class, on the other hand for the leaders and diplomats of the Second, Two-and-a-half and Amsterdam Internationals the proclamation of this motto is only a new attempt to dupe the workers and to inveigle them by a new method into the old meshes of class-collaboration. The imminent danger of a new imperialist war (Washington), the growth of armaments, the conclusion behind the scenes of new secret imperialist treaties, all this not only does not cause the leaders of the Second, Two-and-a-half and Amsterdam Internationals to sound the alarm, but, on the contrary, will inevitably arouse in the Second and Amsterdam Internationals divisions on the whole of just such a type as exist in the camps of the international bourgeoisie. This phenomenon is inevitable inasmuch as the corner-stone of reformism is solidarity of the reformist "Socialists" with the bourgeoisie of "their" country.

Such then are the general conditions under which the Communist International as a whole and its separate sections have to formulate their attitude to the call for a united Socialist front.

8. Considering this position, the Executive Committee of the Communist International finds that the watchword of the Third World Congress of the

The United Communist International, "To the Workers' Front. masses!" and the interests of the Communist movement in general, demand from the Communist Parties and from the Communist International as a whole *support of the watchword of a united working-class front* and the taking of the initiative in this question into their hands. To this end it is necessary, of course, to formulate the policy in concrete terms according

The Labour Monthly

to the conditions and circumstances obtaining in each country.

9. In Germany, the Communist Party at its last Congress supported the watchword of a united working-class front and recognised the possibility of supporting a "united working-class Government" which would be at all inclined to struggle seriously against capitalist power. The Communist International Executive considers this decision absolutely correct, and is confident that the German Communist Party, while fully maintaining its independent political position, will be able to penetrate into the widest masses of workers and to strengthen the influence of Communism among them. In Germany, more than in any other country, the masses of the workers are becoming convinced of the correctness of the Communists' attitude, when they refused to throw down their arms at the period of greatest difficulty and persistently exposed the illusion of the reformist devices for weathering a crisis which could only be settled along the lines of proletarian revolution. In so far as the Party keeps to this method, it will attract also in time all the revolutionary Anarchist or Syndicalist democrats, who today are outside the struggle of the masses.

10. In France the Communist Party contains the majority of the politically organised workers. This makes the question of the united front different in France. France from other countries, but the policy is essential here also in order that all responsibility for splitting the united working-class camp shall rest with our opponents. The French revolutionary Trade Unionists are quite justified in their stand against the dismemberment of the Trade Unions—that is to say, in the fight for the unity of the workers in their economic struggle against the bourgeoisie. But the struggle of the workers does not end in the factory; unity is also necessary in the stand against the increase in the cost of living, against growing reaction, against imperialist politics, etc.

International Unity

The policy of reformists and centrists has, on the other hand, ended in a split in the party, and now threatens the unity of the Trade Union movement, which merely shows that Jouhaux, just as Longuet, is actually serving the bourgeoisie. The watchword of working-class unity, in the political fight, just as in the economic struggles against the bourgeoisie, remains the best method of nailing all plans for dismemberment to the pillory. Though the reformist *Confédération Générale du Travail*, led by Jouhaux, Merrheim and company, will betray the interests of the French working class at every step, it is nevertheless necessary that French Communists and the revolutionary elements of the French working class in general, at the beginning of each mass strike or revolutionary demonstration or other immediate activity on the part of the masses, should propose participation of the reformists in support of the workers' attack and systematically expose them when they refuse to assist in the revolutionary struggle of the workers. In this way we shall most easily win over the masses of non-party workers. Of course this must not under any circumstances induce the French Communist Party to weaken its independence, as, for instance, by supporting any sort of "Left bloc" during election campaigns, or by adopting a lenient attitude to those wavering "Communists" who are still bewailing the split with the social-patriots.

11. In England the reformist Labour Party has refused to accept the affiliation of the Communist Party on the same basis as that of other working-class

England. organisations. Influenced by the growth of the tendency amongst the workers already referred to, the London Labour Party recently adopted a resolution in favour of the affiliation of the British Communist Party to the Labour Party. Of course England occupies an exceptional position in this matter, for under its peculiar conditions the Labour Party appears in the guise of a general unification of Labour forces. The task of the English Communists is to carry on

The Labour Monthly

an energetic campaign for affiliation. The open treachery of the Trade Union leaders during the coal strike, the systematic capitalist attack on wages, etc.—all this has provoked a great agitation among the English proletariat, which is gradually becoming revolutionary. The English Communists should at all costs exert themselves to get among the mass of the workers with the watchword of the united working-class front against the capitalists.

12. In Italy the young Communist Party, extremely implacable in its hostility to the reformist Italian Socialist Party and to the social-traitors of the

Italy. Italian Confederation of Labour (which has recently just completed its treason

to the proletarian revolution), is nevertheless beginning a vigorous agitation under the watchword of the united fighting front of the working class against the capitalist offensive. The Executive of the Communist International considers this agitation entirely correct, and insists only that it shall be strengthened in the same direction. The Executive Committee of the Communist International is convinced that with sufficient foresight the Italian Communist Party will be able to give the whole International an example of militant Marxism in its work of unmasking the treason and hesitation of reformists and centrists, who have wrapped themselves in the cloak of Communism; it will also be capable of conducting a campaign for the workers' united front against the bourgeoisie, penetrating with indefatigable energy and more and more persistence into the heart of the working masses. It is needless to say that the Party will do its utmost to attract to the struggle all the revolutionary elements in the ranks of the Anarchists and Syndicalists.

13. In Czecho-Slovakia the Communist Party numbers in its ranks the majority of the politically organised workers, and thus its tasks, in some respects, are

Czecho-Slovakia. analogous to those of the French Communists. While strengthening its independence and breaking its last links of organisation with

International Unity

the centrists, the Communist Party of Czecho-Slovakia must at the same time popularise in its country the watchword of the united front of the working class against the bourgeoisie, and thereby finally expose in the eyes of even the most unenlightened workers the character of the social-democratic and centrist leaders, as in practice the agents of Capitalism. At the same time also the Communists of Czecho-Slovakia must strengthen their work for winning over the Trade Unions which are still largely in the hands of yellow leaders.

14. In Sweden, as the result of the last Parliamentary elections, a position has been created in which the small

fraction of Communist deputies can
Sweden. play an important part. One of the chief leaders of the Second International, who is also Prime Minister for the Swedish bourgeoisie, viz., M. Branting, finds himself at the present time in such a position that, for securing a Parliamentary majority, he cannot be indifferent to the attitude of the Communist fraction. The Executive Committee of the Communist International believes that, under certain conditions, the Communist fraction of the Swedish Parliament cannot refuse its support to the Menshevik ministry of Branting; just in the same way as the German Communists have already, quite rightly, done in certain of the provincial Governments of Germany (Thuringia and Saxony). This, however, does not mean at all that the Swedish Communists should in any respect infringe their independence or desist from exposing the character of the Menshevik Government. On the contrary, the more power the Mensheviks possess, the greater will be their betrayal of the working class, and consequently the greater the necessity for the Communists to exert themselves in exposing the Mensheviks before the widest masses of the workers. It should also be the duty of the Communist Party to attract the Syndicalist workers to join the fight against the bourgeoisie.

The Labour Monthly

15. In America a beginning has been made in uniting all the Left elements, both of the political and Trade Union movement; this gives the Communists

America. the opportunity of taking a leading part in this process of the unification of the

Left to penetrate right into the great masses of the American proletariat. By forming Communist groups everywhere where there are any Communists, American Communists ought to see to it that they take the lead in the movement to unite all revolutionary elements, and should now particularly advocate the watchword of the united working-class front in the fight for the unemployed, etc. The chief accusation against the Gompers Trade Unions should be that these will not join in the formation of a united front of the workers against Capitalism in defence of the unemployed, etc. The special task of the Communist Party nevertheless remains the organisation within its ranks of the best elements in the I.W.W.

16. In Switzerland our Party has succeeded in achieving certain successes on the lines indicated. Thanks to the

Switzerland. Communist agitation for a united revolutionary front, the Trade Union bureaucracy has been forced to call a

special Trade Union Congress, which is soon to take place. The Communists at this conference will be able to expose before all the workers the lies of reformism, and to weld further together the revolutionary forces of the proletariat.

17. In a whole series of other countries the question has different aspects depending on the different local conditions.

Other Countries. The Executive Committee of the Communist International, in making general observations, is confident that the Communist Parties will succeed in applying them in accordance with the circumstances obtaining in the given countries.

18. The Executive Committee of the Communist Inter-

International Unity

national counts as a primary and fundamental condition, of general application to the Communist

Communist Inde- Parties of all countries, that every Com-
pendence. munist Party which enters into any

agreement with parties of the Second or Two-and-a-half Internationals should retain absolute independence and complete autonomy for the expression of its views and for the criticism of its opponents. Imposing on themselves a discipline of *action*, it is obligatory that Communists should preserve for themselves, not only up to and after action, but, if necessary, *even during action*, the right and possibility of expressing their opinion on the policy of all working-class organisations, without exception. The rejection of this condition is not permissible under any circumstances. While supporting the watchword of the maximum unity of all working-class organisations, Communists, in every practical action taken against the capitalist front, must not on any account refrain from putting forward their views, which are only the logical expression of the defence of the interests of the working class as a whole.

19. The Communist International Executive considers it useful to remind all fraternal parties of the experience of the Russian Bolsheviks, the only party
Russian Experience. so far which has succeeded in obtaining victory over its bourgeoisie and taking power into its hands. In the course of the fifteen years which have elapsed since the birth of Bolshevism until its victory over the bourgeoisie (1903-1917), Bolshevism carried on an incessant struggle against reformism or (what is the same thing) against Menshevism. But nevertheless, during this period they more than once concluded agreements with the Mensheviks. A formal split with the Mensheviks occurred in the spring of 1905. By the end of 1905, however, under the influence of the impetuous Labour movement, the Bolsheviks had already organised a united front with the Mensheviks. A second

The Labour Monthly

and final split was formally completed in January, 1912, but between 1905 and 1912 the split was replaced by unity and semi-unity in 1906-7, and again in 1910. These unifications and half-unifications were not only due to the ups and downs of fractional struggles, but also to the direct pressure of wide masses of workers, who, newly awakened to active political life, demanded, in essence, the possibility of seeing by the light of their own experience whether the Menshevik policy was radically divergent from the path of revolution.

Before the new revolutionary revival after the Lena strikes, not long before the beginning of the imperialist war, there was observed among the masses of workers in Russia a specially strong impulse to unity, which the diplomatist leaders of Russian Menshevism tried to utilise for their own ends, much in the same way as the leaders of the Second, Two-and-a-half and Amsterdam Internationals are now doing. The Russian Bolsheviks did not answer that impulse to unity by the refusal of any and every kind of united front. On the contrary, they countered the diplomatic game of the Mensheviks with the slogan "Unity from Below!"—i.e., unity of the working mass itself in the practical struggle of the workers' demands against Capitalism. Experience proved that this was the only correct reply, and as a result of these tactics, the expression of which varied according to the special conditions of the time and the place, an enormous number of the best Menshevik workers were won over to the Communist side.

20. In issuing the watchword of the united working-class front and permitting agreements of separate sections of the Communist International with International Unity parties and groups of the Second, Two-and-a-half and Amsterdam Internationals, the Communist International cannot naturally refuse to contract similar agreements on the international scale. The Executive Committee of the Communist International

International Unity

made a proposal to the Amsterdam International in connection with Famine Relief in Russia. It repeated the proposal in connection with the persecution of the workers under the White Terror in Spain and Jugo-Slavia. The Communist International is now making new proposals to the three other bodies in connection with the first results of the Washington Conference, which has shown that the working class is threatened by a new imperialist slaughter. The leaders of the Second, Two-and-a-half and Amsterdam Internationals have shown, up to now, by their behaviour that when it comes to a question of practical action they in fact reject their own watchword of unity. In all such cases it is the duty of the Communist International as a whole, and of its constituent sections in particular, to expose to the masses the hypocrisy of these reformist leaders who prefer unity with the bourgeoisie to unity with the revolutionary workers, and who remain, for instance, a part of the International Labour Office of the League of Nations, instead of organising the struggle against the imperialism of Washington, and so on. But the refusal of the leaders of the Second, Two-and-a-half and Amsterdam Internationals to accept one or other of our practical suggestions will not cause us to give up the policy indicated, which is deeply rooted among the masses, and which we must persistently and systematically develop. Whenever our adversaries refuse to support any proposition for a united stand, the masses must be made to realise this, and thus learn who is actually responsible for destroying the workers' united front. Should our adversaries agree to the proposals, it will be our ~~duty to intensify the struggle gradually, and raise it to a higher level.~~ In both instances every effort should be made to focus the attention of the masses on every incident in the struggle for the united front, and to interest them in the negotiations between the Communists and the other organisations.

21. In putting forward the plan indicated, the Execu-

The Labour Monthly

tive Committee of the Communist International warns all fraternal parties of the dangers which, under certain conditions, may be involved. Not all Communist Parties are sufficiently strong and homogeneous, not all have completely broken with centrist and semi-centrist ideology. Cases are possible where the advantage would go to the other side; tendencies are possible which in fact would signify the submergence and dissolution of the Communist Parties and groups into a shapeless united block. In order to carry out the indicated policy successfully for the cause of Communism, it is necessary that the Communist Parties which adopt the policy should themselves be strong and firmly welded together, and that their leadership should be distinguished by clear-cut thinking.

22. Within the groups of which the Communist International is composed, we are justified in styling certain sections right and semi-centrist; there are undoubtedly tendencies which display ideas covering two directions: (a) Certain elements have in point of fact not yet completely broken with the ideology and methods of the Second International, they still cherish veneration for the former power of that organisation, and consciously or unconsciously seek means of agreeing with many of the Second International ideas, and consequently with bourgeois society. (b) Other elements in combating a merely formal radical outlook, and the errors of a so-called Left tendency, etc., are aiming at giving more flexibility and scope to the tactics of the new Communist Parties, so as to assure them the possibility of more rapid access to the ranks of the working masses. The rapid pace of the development of Communist Parties has sometimes been conducive to the association of two apparently different tendencies in one camp, that is to say in one and the same group. By carrying out the methods already mentioned, which are devised to lend Communist

International Unity

agitation a foundation in the united ranks of the proletariat, all real reformist tendencies will be brought to light. The strict application of these tactics will greatly facilitate the revolutionary unity of the Communist Parties, in so far as the impatient Left Wing elements or sections will be taught by experience, and the Party will be freed from the dead weight of the reformists.

23. The "united working-class front" should be understood to include the unity of all workers imbued with the will to fight Capitalism, including those workers still belonging to the Syndicalist and Anarchist movements, etc.

Unity with the
Anarcho-
Syndicalists.

The number of such workers is still considerable in the Latin countries. In other countries they can also help in the revolutionary struggle. From the very beginning the Communist International has adopted a friendly attitude towards these working-class elements, who are gradually discarding their prejudices and inclining towards Communism. At the present moment Communists should devote the more attention to them, just as the workers' united front against Capitalism becomes a reality.

24. For a general definition of the work to be accomplished on the lines indicated the Executive of the Communist International has decided to summon in the near future an extended session of the Executive of the Communist International with representation of all parties in double proportion.

Meeting of the
Communist Inter-
national Executive.

25. The Executive of the Communist International will diligently follow each practical step taken in the indicated sphere of action, and it asks all parties to communicate to it all details of attempts and achievements on the lines of this policy.

Reports to the
Communist
International.

The Labour Monthly

II. VIENNA'S DECLARATION

(*The following Manifesto, addressed "To the Working-Class Parties of All Countries," was issued by the Bureau of the Vienna International on January 15, 1922.*)

The dictated imperialist peace treaties have deepened and increased the misery caused by the world-war. In the conquered nations there is growing depreciation of the currency and, in spite of the most intensive work, growing pauperisation. In the victorious nations, as well as in the neutral countries, the number of unemployed is going up by leaps and bounds.

The economic distress of the working class all over the world has kindled the will in the proletarian parties of *all* tendencies to *unify* as much as possible the *international action of the working class*. The same spirit informs the resolution of the *British Labour Party*, passed at the Brighton Conference, June 24, 1921, the resolution of the *French Socialist Party (S.F.I.O.)* carried at their last conference in Paris, November 2, 1921, the resolution on the part of the National Council of the *Italian Socialist Party*, November 12, 1921, the *Executive Committee resolution of the Second International* adopted at their meeting in Brussels, November 23, 1921, the resolution of the Bureau of the *International Working Union of Socialist Parties* carried at Frankfurt, December 18, 1921, and the proposal which the Central Committee of the *German Communists (K.P.D.)* has made to the Executive Committee of the Third International, December 31, 1921.

In all quarters of the world proletariat, dismembered and split up by the war as it is, the call for international unification meets with an ever-strengthening echo. The establishment of working-class unity is the need of the day.

The workers instinctively feel that the common enemy, the international capitalist class, can only be fought effectively by co-ordinating all proletarian agencies. The work-

International Unity

ing-class parties are perfectly aware that, if isolated and grouped in hostile camps, they are quite unable to fulfil their tasks. For the Government and the capitalist-class parties, however, the existence of working-class groups opposed to one another is an incitement to intensify their revolutionary policy.

The wish for unifying the international actions of the working class has grown beyond all expectations, especially during the last weeks. There are proposals for organising a *general international* conference of the class-conscious proletariat; other proposals suggest to call a conference which should be limited to the countries most directly affected by the dictated peace of Versailles, and this *to be hastened* as much as possible for the sake of discussing the most imminent question, that of Reparations.

The Bureau meeting of the International Working Union of Socialist Parties sitting in Berlin, January 14 to 15, resolved to advocate *the realisation of both of these proposals*: On the one hand, to agree with the invitation of the French Socialist Party to a Conference of the Working-class Parties of England, France, Italy, Belgium and Germany; on the other hand, to enter into negotiations with the Executive Committees in London and Moscow, and thus, by *mutual agreement* of all the international central organisations, to call a general conference.

The place, the time, the terms of admission and the agenda of this conference should be fixed by agreement between the three executives. The representatives of the International Working Union of Socialist Parties are directed to submit the proposal to the other Executives, that the general conference should be sufficiently prepared, but that it should take place already in the course of Spring, 1922. The success of this first attempt at a general conference should be advanced by limiting the agenda to the most imminent questions. In our opinion the main items of the agenda should be:

- (1) The economic situation of Europe and the actions of the working class.

The Labour Monthly

(2) The defensive struggle of the working class against reaction.

As terms of admission, we propose: All working-class parties which adhere to the principle of the class struggle, which have for their aim the abolition of Capitalism, and which recognise the necessity of a concerted international action of the working class in order to reach this goal, are admitted.

We venture to undertake this attempt of mutual understanding for the sake of establishing an international front of the working class, in view of the painful experience of all Labour Parties during the last years. These experiences have led to the consciousness that the most ardent wish of the whole proletariat must be complied with, the wish of concentrating the forces of the working class in concerted action for doing away with the capitalist order of society.

Informing you of our resolutions and proposals, we beg you to let us know at your earliest convenience whether your Party agrees to them in principle. Greeting you in the spirit of international solidarity.

*THE BUREAU OF THE INTERNATIONAL
WORKING UNION OF SOCIALIST PARTIES.*

Berlin, January 15, 1922.

International Unity

III. VIENNA ON MOSCOW

Comments on the Moscow Theses on the United Front

By R. C. WALLHEAD

(Chairman of the Independent Labour Party and Executive Member of the Bureau of the Vienna International.)

It has been one of the post-tragedies of the war that at the very moment when unity in the Socialist movement was most imperatively needed the international organisation of the workers was rent asunder into pro-war and anti-war sections.

Allied Capitalism was flushed and exuberant with military victory; the spoils of conquest were at hand to be garnered—vast, illimitable. The permanent economic subjection of the defeated peoples would give to the victors—or so they calculated—incomparable opportunities of commercial gain; the imperialist capitalist prize was ready at hand to be clutched. Reactionism, garbed in the glittering robes of a promised prosperity, blinded the eyes of the great mass of the workers, who had failed to note the chasm already beginning to yawn beneath their feet. Just here it was that another disaster overtook the workers' organisations. The Communist International was formed, and immediately began to split still further the already torn national sections by creating bitter internal sectarian struggles, to the complete satisfaction of the reactionary forces everywhere.

The Executive of the Moscow group blundered badly. Acting upon the assumption of the near approach of world-wide revolution, it sought to establish by dictatorial methods particularist sects. Had Moscow been prepared to establish a less narrow platform, thereby gaining the adherence of the mass organisations of the workers, it would, I believe, have succeeded. Here in Britain I am positively certain that the Independent Labour Party would have joined the Third International if the Executive of that organisation sitting in Moscow had adopted a less dogmatic method. I believe the same to be true of the German

The Labour Monthly

Independents, the French Socialist Party, obviously the Italian and the Swiss, while the Socialist Party of the U.S.A. might have been maintained united and brought in. That would have been an achievement which would have been infinitely important for the Russian Soviet Government. Here was a tremendous fact and portent which imperialist Capitalism must assail by all means at its disposal. The brutal attacks and infamous policies which have been pursued against the Soviet Republic have been greatly assisted by the broken condition and antagonistic attitudes of the various Socialist Parties in Europe, and the net result has been that, at a time when the Soviet Government needed every unit of power that a strongly united international movement could give it, it was lacking, largely because of the policy of Russian Communists themselves theorising dogmatically upon false premises and assumptions.

This condition it was that brought the Vienna Union into existence. Its object has been persistently to work towards the establishment of an All-Inclusive International. Very early it was recognised that the time for a united organisation had not arrived, it was believed that that desirable object could be reached only by the passage of time and the sheer logic of events, particularly as they bore upon the Communist International by the compelling force of economic development in Russia; but equally strongly it was held that *Unity in Action* for specific purposes was not only possible, but the rapidly growing force of circumstances was so great as to compel united action. This point of view was particularly stressed by the Vienna Union at the meeting with the British Labour Party in London last October.

Happily it would appear as though, in face of the ceaseless activities of capitalist reaction all over the world, the spectacle of the different working-class organisations, reviling and fighting one another with a greater virulence than they displayed in fighting their capitalist enemies, is coming to a conclusion, and the "Theses" of the Executive Com-

International Unity

mittee of the Moscow group of December 18 last on "The United Front" is very welcome, as indicating the possibility of utilising the full concerted power of the international working class against capitalist exploitation and parasitism. Sooner or later the effect of the changing condition of the economic struggle in Russia was bound to bring about a change in Communist theoretic tactics and method, since the Communists could not perpetually demand the application of tactics by Socialist Parties in other countries which they were compelled, by the inexorable pressure of events, to abandon in Russia. There the Communist Party is supreme, but these Communists valiantly battling with stupendous difficulties come into acute contradiction with Communists theorising in the conclaves of the Communist International Executive—a position it was utterly impossible to maintain long. Lenin's Communism is quite as sound as Zinoviev's, at any rate. Theoretic disquisitions have had to give place to practical exigencies in the economic field, and they in turn are likely to bring about changes in the political field.

While, however, most heartily welcoming the important pronouncement contained in the main conclusions of the "Theses," our hopes, it is permissible to suggest, might have been couched in less truculent terms. The Moscow Executive does not contain all the sincerity and good faith of the Socialist movement, and the constant charge of "treachery" against *all* who differ with Moscow serves no useful purpose. The charge that :

"For the leaders and diplomats of the Two-and-a-half International . . . the proclamation of this motto (Unity in Action) is only a new attempt to dupe the workers and to inveigle them by a new method into the old meshes of class collaboration"

is one that, on behalf of the Vienna Union, I repel with all the force at my command. Such a statement is false, and it is not possible to allow it to pass unchallenged.

It is perfectly true that the Vienna Union recognises the

The Labour Monthly

dangers that threaten the working class by the growth of reaction everywhere: that it recognises the danger that threatens from the gross imperialist appetites, not yet gorged, of another world war issuing out of acute hatreds and antagonisms which Capitalism is even now busily creating. It deplores the impotence to which the international working-class movement is condemned by the rancour and bitterness sown by internal dissension and division, and will, therefore, heartily welcome every sign which shows the least indication of the healing of the wounds.

The joint task which confronts the Socialist and Labour world movement is altogether too big for anything approaching permanent division. That way lies futility and defeat. I am, therefore, profoundly thankful that Moscow has issued its "Theses," and sincerely trust that our joint efforts will result in conference for the purpose of securing unity in action, ultimately leading to a united organisation of an international character.

GERMANY AFTER CANNES

By M. PHILIPS PRICE

("Germany's taxation problem is in consequence of her lack of independence a question of foreign policy, and it is an open secret that this new taxation compromise has taken place under pressure of the Entente.")—Leading article in Stinnes' "Deutsche Allgemeine Zeitung" for January 29, 1922.)

FOR the first time since Republican Germany found her place in the constellation of after-war Europe a direct connection is beginning to appear between her foreign relations and her internal class conflicts. More and more clearly can it now be seen that Germany's domestic social issues are reflections of the manœuvrings, marchings and mobilisations of the "national blocs" and the international combines which are trying, each in its fashion, to re-establish some sort of equilibrium in the capitalist system of Europe.

The "rift in the Entente," about which much has been talked in recent weeks, is something more than a mere personal quarrel of statesmen, and it is also more than a difference of opinion between the rulers of England, inspired with the spirit of reason, and the revenge-instilled minds of the bourgeoisie of France. Deep-seated economic causes lie at the root of this "rift." The efficient trade and industrial capitalism of England, representing almost the latest development in predatory economy, is searching for other means to exploit Europe than the usurious, agrarian, seventeenth century, mercantile Capitalism of the French petite bourgeoisie. The French policy of annexations and sanctions

The Labour Monthly

would reduce Europe gradually to a purely agrarian status, destroying industrial production and reducing the vast populations that have lived for decades on manufacturing in exchange for the raw material of the colonial areas. The policy of the British captains of industry is being based more and more on the recognition of the principle of international co-operation of Capitalism. It has been joined by a small group of industry promoters in France that centre round Loucheur, and by other groups that centre round Rathenau's A.E.G. and Stinnes' Rhine-Elbe Union in Germany; but as yet there is no real co-operation, and many conflicting cross-currents.

The principal aim of this new group in the constellation of Capitalism is to use German cheap labour and technique for the reconstruction of Western and Central Europe, and German commercial experience to conquer and control the markets and raw materials of Russia. The greatest hindrance to the attainment of this end is partly, as mentioned above, the backward state of French Capitalism, partly the Socialist régime and the Red Army of Russia, and last but not least the present condition of Germany, whose capitalists, victorious in their revolution, have used a depreciated currency to rejuvenate their industry and have undersold on the neutral and colonial markets the manufacturers of the victorious lands. Needless to say, this last is a serious hindrance to the creation of the international finance consortium which is to control prices, markets and costs of production in Asia and Europe. The abolition of the means whereby Germany can dump with the aid of the exchange, the forcing up of her costs of production to the level of the world market, is therefore the chief aim of British policy in Central Europe, and is the real cause for England's desire for a "revision of the Peace Treaty." And just this policy, applied to Germany with the aid of the German capitalist class, will in the course of the next year create an internal crisis in that country, the consequences of which are hard to foretell.

It is one of the ironies of history that defeated Germany,

Germany After Cannes

whose war finance was one of the most profligate among the belligerent countries, should have been able, thanks to this profligacy in currency inflation, to get access to the markets of the world again, in spite of the political restrictions of the Versailles Treaty. The difference between the depreciation of the mark up to August, 1920, within Germany (90 per cent.) and on the world market (94 per cent.) was the measure of profit on dumping. Since that date the depreciation has gone to 95 per cent. within Germany and 97 per cent. abroad, but the tendency is seen for the difference to decline, and, if the British policy is carried out in Germany, it will sooner or later disappear altogether. The German Government during the dangerous year, when workmen's and soldiers' councils were threatening, threw money about wildly to appease the masses, subsidised bread, meat and various foods, kept railway rates down, granted large unemployment benefits by printing paper money. That need, too, disappeared as soon as the workers' councils were tamed by law and a reliable Reichswehr created to protect plutocracy. Conditions are being created, therefore, under which German and British post-war Capitalism may negotiate a deal. If the German Government stops the subsidies and the printing of paper money, which depresses the mark, and if it will sacrifice its dumping profit, by bringing its internal cost of production up to the level of the world market, then in exchange the British Government will reduce the money payments under reparations, which in the long run only hit England, and will give the German trusts a place on the international finance consortium, where they will be allowed to play the part of a junior partner. The policy of revising the Treaty, therefore, is based on sound business principles, which promise (1) investments of British capital in undertakings controlling the economic life of Europe; (2) the end of German dumping; (3) a threat to British Labour that unless it accepts German standards of living it will remain unemployed.

What effect have the Cannes decisions had upon the

The Labour Monthly

internal condition of Germany? From the National Liberals to the reformist Socialists they have been proclaimed as a victory for reason, the hope of troubled humanity. And yet it has been followed by an internal political crisis within Germany over economic issues, which are of the gravest significance. The moratorium for Germany was only obtained by a promise to balance the German Budget, and this last condition has, like a touchstone, unloosed all the forces of the class struggle. This is the secret of the Cannes decision, the gradual coming into play of forces tending to make Capitalism in Europe (or at least certain forms of it) expand across the boundaries of nationalities and impose new standards of living on the proletariat of Europe. Its effects upon the internal situation in Germany are best seen in the first round of the struggle which has just been waged over taxation. Let us examine this in more detail.

The foundations of the finances of the German Republic were laid in 1919 by Mathias Erzberger. This astute Catholic schoolmaster from the Rhineland saw too clearly the danger which threatened the propertied classes in Germany if the State revenue was drawn solely from indirect taxes and currency depreciation. In order to pacify the restive elements of German Labour, he threw them a sop in the form of graduated income taxes, death duties and a capital levy, which was graded up to 80 per cent. of the capital of the highest valued estates. Further, he established a war profits tax ("Kriegsgewinnsteuer"), which provided that all property increases accrued during the war, above 265,000 marks, should be confiscated by the State. Thus for the financial year, April, 1920, to April, 1921, the following direct taxes were imposed; income tax, capital levy, property tax ("Vermögenssteuer"), death duties, corporation tax, and war profits tax; all estimated to bring in a total of 22,850,000,000 marks. That amounts to 366 marks, or, in English money at that time, 35s. per head of the population in direct taxes alone. On paper, at least, the

Germany After Cannes

Erzberger finance reforms imposed colossal burdens on the propertied classes of Germany, and they undoubtedly played a large rôle in pacifying the more naive elements of German Labour during the year of acute revolutionary struggle. But Erzberger imposed also indirect taxes. These comprised a trade turnover tax ("Umsatzsteuer") of $1\frac{1}{2}$ per cent., a coal tax of 10 per cent. of the selling price and an increase in customs. This was estimated to bring in for the year—April, 1920-21—9,100 million marks, or 150 marks (in English money at that time 15s.) per head of population in indirect taxes. According to estimates, therefore, the indirect taxes per head of population were to be less than half the direct, and the total of the two forms of taxation together made 516 marks, or 50s. per head of population in gold values.

The statement is made by Entente statesmen that Germany is undertaxed. Having regard to the lower money values since the war in Germany and having regard to the nature of the taxes introduced by Erzberger, this statement has no foundation in fact, provided that the taxes are collected. But have they been collected? Let us take the financial year from April, 1920, to April, 1921. For the first nine months of that financial year the following amounts were received by the Treasury :

	Marks.
Income Tax	4,680,200,000
Capital Levy	1,355,000,000
Property Tax	5,400,000
Death Duties	207,000,000
Corporation Tax	2,800,000
War Profits Tax	619,200,000
<hr/>	
Total	6,869,600,000

Thus out of a total estimated for the nine months of 16.5

The Labour Monthly

milliard marks in direct taxation a little over one-third was collected. The detailed figures for later periods are not available, but the general returns show the same results. Capital in Germany is most successfully "Steuer-scheu" (tax-shy). One of the reasons is that direct taxation is not collected, as in England, at the source. The tax is collected on the basis of declarations made twelve months and even two years before the actual collection. In the time between the declaration and the collection the currency has generally depreciated, and in the case of most industrial concerns the incomes in paper money have risen in proportion. But the tax remains based on the old valuation and so works out at a mere fraction of its gold value, as originally calculated. Moreover, it has been decided to postpone the collection of two-thirds of the capital levy and to permit the payment of the one-third in war stock. Thus the Government has only got one-third cash under this head and the rest in unmarketable paper.

How is it, on the other hand, with the indirect taxes? For the financial year, 1920-1, out of the 9 odd milliard marks estimated 6,600 million marks has been collected, i.e., 75 per cent., which contrasts strongly with the direct taxes, where only 35 per cent. was collected. One may say without exaggeration that the greater part of the indirect taxes has fallen on the working classes and the small rentier. This is particularly the case with the trade turnover tax, where $1\frac{1}{2}$ per cent. on the declared value of goods often adds 20 per cent. to the selling price, if they change hands several times. Moreover, a considerable part of the 6 milliard odd marks of direct taxes consist of income tax on workmen's wages, the only direct tax in Germany which is deducted at the source.

Now how has the Cannes Conference succeeded in balancing the German budget and stopping the further inflation of German currency? It was clear from the first that not only would measures be needed to secure the proper collection of

Germany After Cannes

the Erzberger taxes, but that these taxes would have to be raised and even new ones imposed. Under pressure from below, the German Majority Socialist Party decided last autumn to demand a State mortgage on industry (*Erfassung der Sachwerte*). Under this project the State would receive the right to participate up to a certain percentage in the capital of all trading, industrial and agricultural undertakings in the country, and would thereby make the State revenue dependent on the profits accruing to the capitalist class. In other words, this would be collection at the source, as the first step to socialisation. The idea was first mooted in September of last year, when a great collapse of the mark took place through payment of one milliard gold marks in reparation. This demand was immediately answered by the Alliance of German Industries (the German F.B.I.), who, in order to ward off the threatened danger, offered a "Kreditaktion" (money to be lent to the Government on easy terms from the credits of German capitalists in foreign banks). This for a time appeased the Majority Socialist Party. Suddenly in the first week of November the Alliance showed what really stood behind this offer of the "Kreditaktion." Under pressure from Stinnes the Alliance demanded certain guarantees from the German Government in return for the credit. The railways and other public services were to be made independent of the State and brought under the control of private corporations. Moreover, steps were to be taken to liquidate the legislation on the eight-hour day. These demands at once raised a great storm. The General Commission of the German Trade Unions presented ten demands to the Government, including State mortgage on industry, immediate collection of the outstanding taxes, under the Erzberger scheme, and preliminary steps to the nationalisation of the coal mines. But this was only a skirmish. The Alliance withdrew its demands and awaited the Entente's decisions at Cannes. It was felt that the finance capital of the victorious lands would have more chance of getting these demands through, and in this respect the interests of German and part of the Entente

The Labour Monthly

capital were at one. Then followed the long struggle between Lloyd George and Briand on the one hand and the National Bloc on the other. The secret of Cannes was disclosed. Henceforth the Alliance of German Industries, strengthened with the authority of British Imperialism, which remained discreetly in the background, launched its offensive against the German working masses.

The Majority Socialists went into battle faint-heartedly, with divided councils and with a rank and file demoralised by bad leadership. The battle was fought out in the third week of January in the Finance Committee of the Reichstag, whither the Alliance and the Majority Socialists and Trade Unions had sent their representatives. The issue was narrowed down to three points. The first, proposed by the Trade Unions, was that the State mortgage should be accepted by the Government at once. They were met with statements from Government officials, put up to speak by the Alliance, that this solution would create international complications and that Germany's foreign relations made the State mortgage for the moment impossible. Like frightened chickens, therefore, the Labour leaders abandoned point 1. Then some of the Majority Socialists put forward point 2, that the outstanding Erzberger taxes should be collected immediately and the remaining two-thirds of the capital levy. They were told that the direct taxes were already high enough (80 per cent. of the incomes of the poor but honest coal and steel magnates), and besides it would prejudice the possibilities of getting from the Entente credit to meet future reparations. Again the hint at England and the finance consortium had its effect, and the now pulverised Labour leaders made haste to accept the only remaining proposal, 3—a compulsory internal loan.

The Finance Bills for the financial year 1922-23 are therefore of two kinds: (1) providing for increased indirect taxation and (2) a compulsory loan. Under (1) the Erzberger in-

Germany After Cannes

direct taxes will be raised—the Trade Turnover Tax to $2\frac{1}{2}$ per cent., the Coal Tax to 40 per cent., and the Sugar, Matches, Salt and Tobacco Taxes to 10 per cent. of selling price. All this, of course, will mean, with the original taxes, burdens for Labour and the small middle classes, estimated to amount to 45 milliard marks for the coming year. Under (2) the sacrifice which the propertied classes will make towards balancing the budget, is that they will receive no interest for three years for their 1 milliard gold (45 milliard paper marks at present rates) loan and 3 per cent. in subsequent years. But the mere fact that low interest is paid will cause this loan to sink in value in open exchange, even if no other external causes depress it. Thus, if the loan is floated for 45 milliard paper marks and falls to 60 milliards, the State will have to find interest and sinking fund for the whole amount, thus bringing the 3 per cent. up to 4 per cent. The German capitalist class has, therefore, the means to recoup itself for the three years without interest, and for the low interest in later years, by proportionately depressing the market value of the loan. As the organ of finance, *Berliner Börsen-Curier*, quite frankly wrote on January 26: "The 40 milliard 'real sacrifice' which the owners of property will make is (we may as well say it openly) a comedy, but nevertheless it is necessary as a move on the political stage."

The net result of the Cannes decisions, therefore, is that the ordinary German budget will be balanced by increased burdens on the masses, while immediate reparations will be met by a loan, which will burden the budget for future years to an entirely unknown degree. This is to be the prelude to revising the Peace Treaty and establishing an international finance consortium to give credit to Germany.

But even this preliminary credit to the German Government will not be given without conditions. The Alliance of German Industries returns to its guarantees for taking up the gold loan. These guarantees are interesting, as showing

The Labour Monthly

what is likely to be demanded of Germany for the big international credit action which is to come. The original demands of the Alliance are being repeated, but not in the old form. They are being camouflaged by various means. A Bill is before the Reichstag which will make the Reichsbank independent of the Government and will prepare the ground for bringing it under the international consortium. Another Bill is before the Reichstag for the new regulation of the German railways, whereby a Council of Management is set up, on which a large number of officials and nominees of the Alliance will sit. The right of interference of the Reichstag in railway affairs is to be greatly restricted. By this means, it is stated, the deficit in the railway budget will be removed in future and business methods will be brought into the administration.

The railways, which for the last quarter of 1921 had a deficit on the extraordinary budget of 6 to 7 milliards, are to be made to pay in 1922 by business methods. In this connection it is interesting to inquire into the cause of the deficit in the German railway budgets. The real facts about this may be seen in a publication of the Executive Committee of the German Railwayman Union*. Here it is proved on the basis of reliable statistical material that the cause of the deficit is not the high wages, short hours, and over-staffed administration in the railways, as is stated by the German capitalist Press and the Entente Reparations Commission, but the high prices demanded by the coal and steel trusts for the supply of railway materials to the State. Thus it is a fact that since the revolution the number of men employed on the railways has risen from 740,000 in 1913 to 1,121,000 in 1920, partly through the eight-hour day. But the total wages bill has fallen in relation to the total railway expenditure. Wages and salaries in 1913 made up 60 per cent. of the total outgoings, and only 51 per cent. in 1920; and this in spite

* "Ursachen des Milliardendefizites der Reichseisenbahn."

Germany After Cannes

of the fact that the personnel of the staff had risen. Wage rates, moreover, are from 11 to 17 times (according to grade) above the 1913 rate. On the other hand, the cost of materials supplied by the trusts to the railways, which in 1913 comprised 39 per cent. of the total outgoings, in 1920 comprised 49 per cent., and has risen in price many times more than wages and salaries, when compared with pre-war rates. Thus small coal had risen 26 times, rails 20 times, sleepers 21 times, petroleum 24 times, and iron bars 31 times. It is not difficult, therefore, to account for the railway deficit. In this connection the economist, Dr. W. Necker, writes in the *Freiheit* for January 29: "All the reforms for the management of the railways which have been made hitherto, such as business methods of accounting, modern methods of reckoning costs, independence of railway finance from the general State budget, are not only necessary but inevitable. They do not, however, provide the final remedy for raising the railway deficit. That is only possible by making the State services independent of the exploitation of the trustified heavy industry and through the creation, as far as possible, of independent State corporations, which shall be the commencement of a wider socialisation." But that is just what the Alliance and the Reparations Commission do not want. They are not out for this sort of revision of the Peace Treaty.

And how does the new finance compromise, made under the influence of the Cannes decisions, propose to deal with the railway deficit? Not by price control, but by raising railway rates to 19 times the 1913 rates for passengers and 32 times for goods. On the other hand, the wage rates, which the railwaymen are now demanding, so as to bring their scale to 20 times that of 1913, and thus barely cover the cost of living, have been stubbornly resisted by the Ministry of Communications on the grounds that "the international situation of Germany does not admit of this further expenditure from State resources." In other words, the Entente is invoked again to impose another form of indirect tax on the

The Labour Monthly

standard of German Labour. Furthermore, an attack under the auspices of the Cannes decision is being made on the eight-hour day in the public services. Thus the Reichswirtschaftsrat (State Economic Council) has just passed a resolution annulling Sec. 4 of Order 12 of the Council for 1920, whereby dismissals from the railway and postal services with the object of lengthening the hours of those remaining is forbidden. Also the Ministry of Communications has proposed a Bill to regulate railway hours, whereby certain categories of railwaymen shall have the time during which they are on duty but not engaged in work reckoned as time off duty. In some categories this may be equivalent to a fifteen-hour day. Moreover, the Bill proposes to dismiss by March 31, 1922, 20,000 railwaymen, as a prelude to a general reduction of the staff.

I have taken the railways because it is more easy to see the working of the new finance compromise in their case. But the same is equally true of all the public services. More particularly is this the case with social legislation for Labour protection. The revolution brought some quite considerable advances in this direction, and the German Government is now proposing to liquidate large numbers of them, and is again giving the excuse, with every apparent justification, that this is demanded by the Entente. Thus the Note of the German Government to the Reparations Commission for January 29 contains the following passage: "The State support of unemployment insurance shall in 1922 be replaced by an insurance scheme which shall be financed by employers and employed." Wherever one looks one sees the same process at work—the liquidation, under pressure of the Entente, of social measures which tend to raise the standard of the German workers and the imposition on them of the sole burdens of balancing the budget. If the German workers reply to this by starting a wage campaign to cover the new imposts, they will at once be met by threats of mass dismissals and the prospect of unemployment without State benefit. German Labour is to pay the war indemnities, restore North

Germany After Cannes

France (as far as the French business interests want it restored) and create the standard of living for Europe under the international consortium. In order to do this the eight-hour day and the right to strike must go. The Versailles Treaty will then have been revised by magnanimous England, curbing the revengeful Chauvinism of France. And this plan will succeed, unless it is resisted with all the forces of international Labour.

THE CRISIS IN INDIAN NATIONALISM

By EVELYN ROY

THE Indian National Congress, the political organ of the extremist party, which met in full session during the week of Christmas, is confronted with a dilemma on whose solution its future existence as a fighting body will depend. Violence or non-violence; continued leadership of the masses or surrender to the Bureaucracy,—these are the two horns on which the delegates to the Congress found themselves impaled.

The present crisis, which is the outcome of the Non-co-operation campaign of the extremist nationalists and the policy of repression recently adopted by the Government, has been brought to a head by the visit of the Prince of Wales to India and the startling demonstration of power afforded by the boycott of the royal visitor and the more or less complete *Hartal*, or general strike, of the Indian people, which greeted his arrival in every large city.

The new Viceroy, Lord Reading, who was sent out to India to control the most difficult and delicate situation in the history of that country, announced his advent as the coming of a rule of "justice, law and order." The non-violent Non-co-operation campaign, headed by Mr. Gandhi and the Congress Party, for the attainment of Swaraj, or Self-Government, was in full swing, and the Viceroy adopted a policy of watchful waiting for the first six months, in order to study the situation thoroughly before venturing upon a positive line of action. It was the opinion of the Anglo-Indian bureaucracy that the movement would run itself into the ground and die of its own contradictions, and the many mistakes and failures of the tactics adopted seemed to justify

The Crisis in Indian Nationalism

this expectation. The boycott of the army, the schools and of Government offices and titles had, on the whole, proved abortive, despite some distinguished exceptions; while the boycott of foreign cloth and the revival of hand-spinning and weaving was, on the face of it, an economic impossibility bound to end in failure. The concrete achievements of the Non-co-operation movement were few, but important, and ignored by the Bureaucracy until too late to prevent them. They consisted in the successful collection of a National Fund of one crore rupees (equivalent to one million pounds), the registration of ten million members of the Congress Party, and the building-up of a nation-wide organisation for propaganda purposes, which the Nationalist Movement had never before had, and whose all-embracing activities swept the great mass of the people,—intellectuals, petty bourgeoisie, peasants and city-proletariat alike,—within its scope. The greatest unifying force for all these heterogeneous elements of discontent was, in the early days of the movement, the personality of Mr. Gandhi, whose Tolstoyan philosophy of non-resistance, together with his stainless personal life and long record of public service, endeared him to all classes of the population alike. It was to the “Mahatma” or Great Soul, as Mr. Gandhi was universally known, that the astute Lord Reading addressed himself in his first effort to sound the depth of the movement and to check its rampant career. Mr. Gandhi’s ready consent to travel to Simla for an interview with the Viceroy of the Government, which he and his followers had so uncompromisingly boycotted, proved him to be more of a saint than a politician, and it was inevitable that in this first contest between the Non-co-operators and the authorities, that the former should be worsted. Lord Reading obtained from the Mahatma a promise that the two Ali brothers would make a public apology for certain alleged speeches inciting the Indian people to violence,—and the Mahatma received the assurance that, for the time being, the Government would drop its intended prosecution of the two brothers for seditious utterances.

The Labour Monthly

The apology was duly delivered and heralded to India and to the world as the capitulation to legal authority of the two hottest defenders of Indian Nationalism. It is hard to say who suffered more in prestige by this unfortunate bargain with the "satanic" Government—Mr. Gandhi or the Ali brothers, who were accused by their opponents and followers alike of compromise and cowardice. It was the first triumph of the Government, and Lord Reading saw his way clear ahead of him.

Mr. Gandhi frankly admitted he had made another "Himalayan" mistake in his zeal for peace, and the Ali brothers, loyal to their leader, but resentful of the charge of cowardice, started a campaign of invectives against the Government and invited their own arrest. The public mind having been prepared for this eventuality to two of their dearest idols, and Mr. Gandhi having abjured everyone to abstain from all public manifestations or show of resistance, the Government proceeded to arrest the Ali brothers and five other prominent Non-co-operators, and then stayed its hand to see the effect of this move. What would be the response of the Mussulman population to this blow aimed at their leaders? The baffling quiet which prevailed all over India gave satisfaction alike to the Government and the Non-co-operators. Aside from a few protest meetings, an occasional strike and several street demonstrations, there was nothing to show that two of India's most forceful and popular heroes had been arrested and convicted on ordinary criminal charges to two years' imprisonment. The Government argued that if it was so easy to cut off the heads of the movement, the body could be easily crippled. Mr. Gandhi, on the other hand, proclaimed the national calm as the triumph of soul-force over violence, and the Working Committee of the National Congress announced the programme of Civil Disobedience, including non-payment of taxes and a national boycott of the visit of the Prince of Wales to India, scheduled for November.

The Crisis in Indian Nationalism

More arrests followed as a matter of course, together with the prosecution and penalising of nationalist journals for alleged seditious utterances. Non-co-operators went to prison unresisting and rejoicing, and new ones sprang to supplant them. Civil Disobedience, Boycott of foreign cloth, and a National *Hartal*, or general strike, on the landing of the Prince of Wales, became the popular slogans of the hour. The whole country became a seething volcano of unrest and incipient trouble. Officialdom, at first nonplussed, advised the postponement of the Prince's visit, and it was rumoured that ill-health would prevent his projected trip to India. The open jubilation of the Non-co-operators, and the increased intensity of their campaign, changed the official mind. It was declared that the royal visit would take place.

It is not by chance that the Prince of Wales, the darling of the royal family and symbol of Britain's majesty, has been thrown to the angry tigers of Indian Nationalism. The nature of his reception would be a good gauge of the real strength of the movement and of the hold enjoyed by the Congress leaders over the masses. The infinitesimal chance that the Prince would be assassinated by some terrorist, though minimised to almost zero by the elaborate precautions taken, would be run,—the British bourgeoisie is implacable when its interests are at stake. This feeling is well reflected by the Bombay correspondent of the *Manchester Guardian*, who wrote :

The Prince's visit is not without risks. The days are gone when a royal visit to India was merely a delightful ceremony. In every municipality, the exact measure of hospitality to be shown has been hotly debated. Every act of homage is a real bending of the political will. The warmth of the welcome extended to the Prince will be the gauge of Indian desire for the British connection.

The arrival of the Prince of Wales in Bombay on November 17 was heralded to the world through the medium of the Press as the failure of Non-co-operation and the triumph of India's loyalty to the British Crown. First accounts conveyed glittering descriptions of the magnificent displays

The Labour Monthly

and entertainments given at public expense for the Prince's reception. But gradually the news leaked out that beyond the area where soldiers and machine-guns ensured the peaceful progress of the Heir to the Throne, there was serious trouble with the population of Bombay. Riots broke out in every part of the city, strikes were declared in all big industries, and the excited and angry populace fell to looting and incendiarism, unmindful of Mr. Gandhi's prayerful injunction for perfect peace. The Governor issued a Proclamation on the 16th and 17th that "the Government would use all its powers for the maintenance of law and order." According to the *Manchester Guardian*, "life in the city was dislocated for four days." The list of casualties on the day the Prince landed include 83 police wounded, 53 rioters killed and 298 wounded, together with 341 arrests; 160 tramcars were damaged or destroyed; 135 shops were looted and 4 burned down. On the same day, Calcutta celebrated the arrival of the Prince on Indian soil by declaring a complete *Hartal* for twenty-four hours, and similar action was taken in cities all over India. The spectacular nature of the Calcutta strike is testified to by the *Times* correspondent, who writes :

From early morning, Congress and Caliphate volunteers appeared on the streets, and, it is no exaggeration to say, took possession of the whole city. The bazaars were closed. Tramcars were stopped. Taxis were frightened off the streets and horse vehicles were nowhere to be seen. There was little open violence, not even a brickbat was thrown at the armoured cars that patrolled the streets. The police looked on and did nothing. The control of the city passed for the whole day into the hands of the Volunteers. At nightfall, electric lights were cut off, and the streets were silent, dark, and deserted. It was like a city of the dead.

Here was a startling manifestation of national solidarity that gave the Government pause for thought. It was an imposing demonstration of the popular will obeying the behests of its leaders. In Ireland people are used to such spectacles, but in India! In the temporary lull that preceded the bursting of the storm, the still, small voice of Mahatma

The Crisis in Indian Nationalism

Gandhi was raised, crying piteously to Heaven for pardon for the blood that had been shed in Bombay, and calling upon those who had sinned to repent, as he did, by fasting for twenty-four hours out of every week. Poor, misguided, deluded Mahatma Gandhi! In his hesitations and vacillations and hurried flights from the displays of mass energy to the retreat of his own conscience is summed up the peculiar predicament of the Indian National Congress as a whole, which is being ground beneath the upper and the nether millstones of Government repression and scething popular unrest, which must find an outlet in violence, unless its economic distress which lies at the bottom of its discontent finds some relief.

“The iron heel of authority came down upon the country instantaneously. The Government had had sufficient insight into the depth and strength of the national movement, and it decided to cut at the roots as well as to strike off the heads. Not only was it desired to check the progress of the Non-co-operation movement and to insure a welcome to the Prince,—it was intended also to paralyse the holding of the Indian National Congress, scheduled to meet at Ahmedabad on December 24, at which time Mr. Gandhi had definitely promised to announce the advent of his long-heralded but slightly chimerical Swaraj. More than 500 arrests were made in Calcutta alone. The recruiting and organising of Congress and Caliphate volunteers was declared to be illegal. The principal districts of India were placed under Section 2 of the Criminal Law Amendment Act, which prohibits “unlawful associations” to such an extent that three persons meeting together in one place are liable to arrest. Naturally, the various Provincial Congress Committees meeting throughout India became unlawful associations, and their members were arrested wholesale. All the principal leaders of the Congress (including its President, C. R. Das; its Secretary, Motilal Nehru; and Lajpat Rai, the fiery leader of the Punjab) have been arrested.> The arrest of students and working men acting as pickets, volunteers or strikers, has

The Labour Monthly

been legion. The Viceroy stated impressively that "the Government of India are very conscious of their power and their strength. Recent events have made it imperative that the full strength of the Government should be exerted for vindicating the law and preserving order." Not alone men, but women as well, have fallen under the official ban, and, according to the *London Nation*, "Bengali ladies have been taking active part in the agitation, and some of them have been lodged in gaol. It would be difficult to exaggerate the social sensation in India caused by Indian ladies being led off to cells."

Amid this impressive display of force, the Prince continued on his flowery path northward through the various Indian provinces, receiving everywhere the same official welcome which sought to veil the popular disaffection beneath. In the protected Native States he received the warmest reception, thereby demonstrating the British wisdom in perpetuating these feudal puppets as props to their own rule. But his emergence into British India once more was like a cold douche. Allahabad, the capital of the United Provinces of Agra and Oudh, greeted him, according to the *Manchester Guardian*, "with what truth compels the admission of as the most effective *Hartal* yet experienced. The streets were liberally festooned and garlanded, but entirely deserted." "The silence of Allahabad," declares the *Times*, "represents the first occasion on which the fomenters of passive hostility were really successful." It was an effective answer to the Government repressions that were rapidly flooding the gaols of every Indian city. The arrival of the Prince in Calcutta was to be the acid test, for Bengal has always been the hotbed of rebellion. Four armoured cruisers were anchored outside the harbour, and special battalions of troops were posted in every part of the city, which assumed the appearance of an armed camp. The Prince was to arrive on December 24, the same day on which the Congress would open in Ahmedabad, and in anticipation of his coming, the majority of the workers and the students

The Crisis in Indian Nationalism

went on strike, while the lawyers suspended their practice. Arrests reached such a degree that the general public began to protest. Lawyers of the High Court passed a resolution demanding the repeal of the Criminal Law Amendment Act; business men of the United Provinces issued a statement to the Government that the present policy only added fresh recruits to the movement; members of the provincial legislative councils began to resign, and four members of the Imperial Legislative Assembly addressed the Government, urging it to call a halt to futile repression, to formulate some constructive policy which would recognise the amazingly rapid changes occurring in India, and to call a round table conference of all shades of political thought to find a way out of the present deadlock.

∴ Mr. Gandhi, despite repeated pleas to be arrested, continued in freedom, and on the eve of the opening of the Congress, which he declared must be held at any cost and despite the arrest of all its leaders unless the Government dissolve it by force, he issued a Manifesto which, among other things, stated :

Lord Reading must understand that the Non-co-operators are at war with the Government. We want to overthrow the Government and compel its submission to the people's will. We shall have to stagger humanity, even as South Africa and Ireland, with this exception—we will rather spill our own blood, not that of our opponents. This is a fight to a finish. >

This, then, is the situation in India on the eve of the assembling of the National Congress—the gravest situation in living memory. What is the Congress to do? Its tactics of non-violence have come to an end, the mass-energy on which the strength of the Congress movement has rested can no longer be controlled in a crisis, as events in Bombay and elsewhere testify. At the same time, the masses are completely unarmed; they are hopelessly unready for an armed contest for supremacy. If the Congress persists in its doctrine of Soul Force, it will lose the support of the militant workers and peasants, who have got out of bounds and

The Labour Monthly

whose desperate economic condition renders some immediate and practical solution imperative. The Indian working class has lent itself already long enough to Mr. Gandhi's quixotic chasing of windmills. Non-violence, non-resistance, Soul-Force, boycotts and strikes in the National Cause for a Swaraj that is indefinitely postponed, have weakened their faith in the Prophet, and they find themselves in no way better off. In all their circumlocutions and invectives against foreign rule, the Congress leaders have forgotten or neglected utterly to mention the economic betterment of the Indian workers and peasants, whose energetic support of the Congress Programme of boycott and civil disobedience by riots, strikes, imprisonment and loss of life has constituted the backbone and real strength of the movement. Such systematic repression as the Government of India has launched upon can kill any movement that does not spring from the vital economic needs and desires of the people. If the Congress persists in its present tactics, it will find itself divested of the popular support that gave it such powerful impetus and power, and it will be reduced once more to its former status of a debating society on constitutional progress, by India's discontented lawyers, doctors and petty-bourgeois intelligentsia. The masses, forced asunder from the political movement by Government persecution and their own waning interest, will take up the economic struggle in good earnest on the purely economic field, leaving politics alone, like the burned child which dreads the fire.

Such a movement is already under way in India. In the first week of December, 1921, the Second All-India Trade Union Congress was held in Jharria, a little town in the coal-fields of Bengal. The Government, busy with its persecutions of the Nationalists, had no time or energy to interfere with it, despite the petition of various Employers' Associations to prohibit the holding of the Congress. A great coal-strike was in progress, involving some 80,000 miners, numbers of whom attended the Congress in a body,

The Crisis in Indian Nationalism

in addition to the regularly constituted delegates, who numbered ten thousand. Something over a million organised workers were represented from about a hundred different unions. The Secretary of the Trade Union Congress, Mr. Chaman Lal, drew a picture of the economic condition of the Indian working-class, comparing it with European conditions, and declared before the assembled delegates that the continuance of such conditions meant the coming of Bolshevism to India. If the Government and the employers refused to make concessions to labour, the latter would take matters into its own hands. Referring to the political struggle raging throughout India, Chaman Lal declared that only by the help of the organised working-class, India would attain Swaraj within ten years. Resolutions of sympathy for the Russian famine, and a call to the organised working-class of the entire world to abolish wars by international action, were adopted. The most significant outcome of the Congress was the sudden agreement of the coal-mine owners to negotiate with the striking workers as to an increase in wages, a shorter working-day, better housing, medical attendance, etc.,—matters which heretofore they had refused to discuss. >

< The All-India Trade Union Congress, which held its first session a year ago, has already become a power in the world of organised labour in India. All the class-conscious elements of the Indian proletariat are included within its ranks. It is fighting for frankly material things, well within the comprehension of the simple, ignorant and oppressed people who belong to it,—better wages, fewer hours, decent housing, sanitation and medical help in time of sickness, with accident, old-age and maternity benefits for workers. There are no political planks in its programme, but the still rebellious working-class, fired with the national enthusiasm, have not yet forgotten the fabulous Swaraj promised them by their Mahatma. >

The great question at issue now is, Will the centre

The Labour Monthly

of gravity of the Indian struggle be shifted from the political to the purely economic field, from the Indian National Congress to the All-India Trade Union Congress, or will the political leaders rise to the occasion and adopt such a programme in the National Congress as will keep the Indian masses behind it in its political fight, by including their economic grievances?

The resolutions adopted in the sessions of the National Congress do not touch upon the vital question of the workers' economic needs. The 12,000 delegates and visitors, clad in homespun Khaddar and white "Gandhi caps," eschewed chairs and squatted upon the floor of the huge Pandal or tent, while their leader, the saintly Mahatma, simply dressed in a homespun loin-cloth, issued his appeals for peace from the top of a table upon which he sat cross-legged. His resolution, calling for "aggressive civil disobedience to all Government laws and institutions; for non-violence; for the continuance of public meetings throughout India despite the Government prohibition, and for all Indians to offer themselves peacefully for arrest by joining the Volunteer Corps," was carried with but ten dissentient votes. The Congress appointed Gandhi as its sole executive authority, with power to name his own successor in case he is arrested, but declared that peace with the Government cannot be concluded without the previous consent of the Congress. A motion introduced by Hazrat Mohani, for complete independence outside the British Empire, to be attained by all "possible and proper," instead of by all "legitimate and peaceful" means, was opposed by Mr. Gandhi on the ground that it would alienate the sympathy of the Moderates, and the resolution was lost, although a strong minority voted in its favour. "The unity of all classes depends on non-violence," said Mr. Gandhi, who seeks to combine Moderates and Extremists, the Indian bourgeoisie and exploited proletariat, on a common but vague programme of political Swaraj.

Mr. Gandhi, who is to-day undoubtedly the Dictator of

The Crisis in Indian Nationalism

the Indian Nationalist Movement, will end by falling between two stools, since he cannot for ever sit on both.

↳ The Indian masses demand economic betterment, and their rebellious spirit cannot be contained much longer within the limits of a peaceful political programme which avoids all mention of their economic needs. Already the energies of the more class-conscious are being deflected towards the growing Trade Unions and Peasants' Co-operatives. The Congress will lose in this element its only revolutionary basis, because the handful of discontented intellectuals who compose the Extremist Party represents neither the interests of the moderate bourgeoisie nor of the conservative landholding class. The recent Governmental repressions have temporarily rallied all classes on the basis of national feeling, and have led even the Moderates to protest and to demand a round-table conference of all shades of opinion, where some agreement by compromise can be reached. Certain Trade Union leaders also urge such a Conference on the plea that Labour is getting cut of hand. The Viceroy agreed, on condition that the Extremists cease their Boycott and other activities and that both sides call a truce pending negotiations. Pundit Malaviya, who represents the Right Wing of the Congress Party, proposed a resolution in the Congress to participate in a round-table conference for the settlement of grievances. Gandhi opposed making the first overtures, and the motion was defeated, but "the door to negotiations was still left open." "We will talk with the Viceroy only as equals, not as suppliants," Gandhi declared, and added, "I am a man of peace, but not of peace at any price—only of that peace which will enable us to stand up to the world as free men."

A definite refusal to compromise, on the part of the Extremists, will mean continued repression by the Government and the alienation of Moderate sympathy; consent to a Conference, on the other hand, means compromise with the Government and alienation of the masses. Which will Mr. Gandhi, Dictator of the Indian National Congress, decide to do?

A CONTROVERSY ON VIOLENCE

I—The Philosophy of Violence

By GERALD GOULD

THOSE of us in the Labour movement who profess ourselves revolutionary in aim, but opposed to violence as a means, are looked upon by our more fortunate (because more dogmatic) comrades with some misprision: and the plain fact is that we cannot resent it as unreasonable. We may not be guilty of the charge of insincerity: but certainly we are open to it. For revolutions have always been bloody—some more so, some less: and to will revolution without facing the apparent necessity of bloodshed must, at first glance, look like willing the end but fearing to face the means. And that, though compatible with a “blooming good ’eart,” is not compatible with intellectual integrity.

It would be easy, and perhaps sufficient, for us to answer that we are no worse than the rest. Strict intellectual integrity is unattainable. There is a shadowland in everyone’s thought: will and judgment do not jump together. But our defence is more detailed than that.

To understand it, we must clear our minds of the old formula in which the antithesis between evolutionary and revolutionary Socialism used to be contrasted. If revolution is not a factor in evolution, it won’t happen. The antithesis used to be framed as between those who trusted to the orderly development of the democratic and educational machines, and those who wanted the sudden barricades across Whitehall, and the Thames, red with blood, swollen with corpses, running out to a sea no longer intimidated by Britannia. Both sides of the antithesis were equally and crudely wrong:

Violence

and for this simple reason—that *it need not be the revolutionaries who put up the barricades.*

This, Marx foresaw. This, Engels foretold. This, the Curragh demonstrated. This, Finland has felt. It is time we took the lesson to heart, and to brain.

It destroys the one side of the antithesis, for it demonstrates that the peaceful appropriation of the political machine is no guarantee whatever against bloodshed. It destroys the other side of the antithesis, for it demonstrates that bloodshed is no more revolutionary than counter-revolutionary, and cannot be relied on as a means of getting what we want unless we have got a good deal of what we want already. The crudity of the two extremes here refuted is no argument against the necessity of their refutation: for we all know that crude talking and thinking, on both extremes, have gone on.

A less crude and more practical antithesis, however, is also demolished: namely, that between political Socialism and direct action. We all see now that neither of these is more "constitutional" than the other. Even the most "political" members of the movement—Messrs. Henderson, Thomas and Snowden—have approved direct industrial action for political ends when they have thought the political ends sufficiently important. Moreover, the *Morning Post* itself would scarcely deny that to strike against a decrease in wages is constitutional: yet we have all seen that for three or four large Unions to do that simultaneously might lead, not merely to the resignation of a particular Government, but to the complete breakdown of the present *kind* of government. And that is revolution, just as the capture of the government machine by Socialists at the polls, and the consequent expropriation of the capitalist class, is revolution. Both courses are equally constitutional, equally evolutionary, equally revolutionary. *And they may both lead equally to bloodshed:* for the "Whites" are just as ready to suborn the Army and start

The Labour Monthly

the shooting in order to prevent the carrying out of the people's "democratically" recorded will as they are to take that energetic line in order to suppress the equally democratic demand for a living wage. Between political action and direct industrial action there is, of course, a tactical difference: a difference, according to circumstances, in expediency. But there is no difference in ethics, in law, or in probable result. Both are constitutional: both will probably be met by the barricades and bullets of the White Guards. The antithesis disappears. But the dilemma remains.

And here begins that smashing series of questions by which the orthodox Communist drives his pacifist brother into a corner—

"When the shooting begins, on whose side will you be? Will you stand apart altogether? No; you will find that impossible. Besides, it would be to repudiate responsibility for a state of things you had helped to bring about. Are you prepared to fold your arms and be shot? Maybe. But that won't settle your difficulty. *Are you prepared to fold your arms and watch your comrades, your children, being shot?*"

This last is the vital question. I, personally, could not answer it in the affirmative: and, if I heard anyone else answering it in the affirmative, I should not believe him. It is not in human nature (nor ought it to be) to see the weak being butchered by the strong and pass by on the other side for fear of "enlarging the area of the conflict."

And so we come to the Communist's clinching point.

"You admit," he says, "that probably, sooner or later, you will have to fight. The other side will see to that. I don't *want* to fight any more than you do: but I face the facts. Since we shall have to fight, do not let us do so with naked hands against machine-guns. Since we know what is coming, let us prepare for it. To preach, to organise a revolution without preaching and organising the hard, cold, cruel means of making it effective, is worse than sentimental—it is dangerous, cowardly and dishonest."

Violence

To this I conceive that the pacifist has two replies. There may be others : but I suspect that on analysis they would be found to be variants of these two.

The first of the two was freely used during the war with Germany. I long had hankerings after it, but have been compelled reluctantly to abandon it. It ran somewhat thus : "To prepare for war does not ensure peace, nor does it ensure victory. It ensures only that violent conflict will come : it precipitates the very evil against which it is supposed to be a safeguard : and, in the end, both sides suffer, because nothing lasting was ever built on violence."

This reply has every merit but one. It is clear, concise and comprehensive : but it is not true. It *may* be true as applied to two great military and naval Powers of roughly equal strength. It *may* be true that if Great Britain had been uniformly pacifist in policy, war with Germany would never have come (though a number of other surprising things would have come instead). Even of that, no one can be sure. Germany might in that case simply have trampled on this country, and treated it in the brutal and dishonourable fashion in which, as things have fallen out, we are now treating Germany. And as for saying that preparation does not ensure victory, that depends on how thoroughly you prepare. It ensured *us* victory all right.

But when you turn from the rivalry of great, mutually terror-stricken nations to the relation between big nations and small, or between a powerful class and a subject class, the case is clearer and sadder. History records the subjection or destruction of friendly, simple-minded, pacifist races. Almost wherever such existed, they have been tricked, goaded into helpless revolt, labelled as savage tribes ("this animal is very wicked; when he is attacked, he defends himself"), and demolished. The meek inherit the earth : but only six foot of it apiece : and very quickly.

One pacifist argument remains. Let me illustrate it by

The Labour Monthly

an imaginary speech of a conscientious objector to a tribunal during the war, and then apply it to the social struggle.

"Gentlemen," says my imaginary objector, "I do not believe in violence, but that statement, unqualified, is nonsense. Everybody believes in *some* violence. Even a Tolstoian would probably consent to kill—or, anyway, violently to remove from the sphere of nourishment—a flea. If a flea, which merely causes itching, why not a tiger, which causes death? And if a tiger, why not a human being behaving like a tiger? If a German attacked my wife or my child, I should attack him: and if I could not save them without killing him, I should kill him. And without apology. But that does not mean that I am to bind my will to become part of a military machine—to kill, not a German who is attacking my wife or my child, but a German who, like myself, only wants to get home to his tea. It is not the spontaneous use of force in an emergency that I condemn: it is the *organisation* of force, and the surrender of personality, of free will, entailed in becoming the slave of a militarist organisation.

"You will say this is a mere position of compromise. Of course it is. The condition of human life is compromise. We all of us, in this very matter of physical force, compromise between a hypothetical madman, who should want to employ all kinds of force on all occasions, and a hypothetical madman who would itch rather than interfere with the self-development of a flea and die rather than do violence to a vegetable. Each of us must draw the line for himself somewhere between these two extremes: and I draw it at *organisation for bloodshed*.

"I do not deny that, on a short view, this is illogical: that if all my countrymen took my view, and no Germans did, the Germans would win, and misuse their victory. Nevertheless, I am convinced that wars will never end till a sufficient number of people, of whatever nation, refuse to

Violence

be organised for them: and this refusal is my contribution to the future of the world.

"And I have a further motive. Even if my refusal leads to the most disastrous consequences in the physical world, there is something more important. There are certain things that *one must not do*. To kill a man in hot blood, to prevent him from committing an atrocity, is not one of those things: to kill him in cold blood is. And if I joined your Army, I should have to undertake, not merely to kill Germans in cold blood, but actually, under orders, to murder in cold blood my own comrade if his nerve gave way. The military machine is wrong in itself, and I will not be part of it.

"Lastly, if you doubt that anything can be wrong in itself, apart from its consequences, let me give you an extreme and fantastic case. Suppose your enemy had your baby in his power—in his power *physically*, under his hands; and suppose you had his; and suppose he threatened to torture your baby; and suppose that the only way in which you could prevent him was by getting in first and torturing *his* baby: what then? You would do anything—except that. You would kill your enemy, or yourself, or your baby, or his: you would, if you could, destroy the whole human race, to save your baby from torture: but you would not, because you could not, torture a baby. Whatever happened, that course would be closed to you.

"Too fantastic to prove anything, you say? Not at all. It is a parable. Do we not, as a nation, organise the torturing of German babies by the blockade? Is it really any excuse to say that we do it to prevent the Germans from torturing ours by the same method?

"Some will tell you, and it is very likely true, that by strapping down and vivisectioning a sentient dog, you may discover things that will lead to healing and comfort—that may save our babies from torment. Still, *you must not do it*. That is absolute.

The Labour Monthly

“And I must not be part of an organisation for war, however righteous the war. There are some things one cannot do: and this is one of them.”

The tribunal's answer would have been: “Exemption refused.” But is my Communist interlocutor going to be as brusque as a tribunal? Let him not, at any rate, tell me that there is no parallel between war and revolution—that the war with Germany was a capitalist war. For that, though true, is irrelevant. I have worded my conscientious objector's objection so that the justice of the war's cause may be taken for granted, and *still* the impossibility remains. (It might perhaps be argued that in the matter of surrendering the individual will, and consenting to carry out the death-sentence upon disobedient members of one's own side, there is no comparison between an army trained for a capitalist war and a revolutionary organisation. Even if this be admitted, the main argument is not touched by it: but, in fact, the historical evidence shows revolutionary forces to be no less strict, harsh and terrorist than the ordinary army. Having put their faith in violence, they are practically bound to go the whole militarist hog of “the end justifies the means.”)

Now, apply all this to actual revolution. I believe that revolution can be, in itself, up to the point at which it replaces one form of government by another, peaceful and constitutional; but that, whether it is or no, the White Guards will then proceed to shoot. So be it. *Still*, I believe in peaceful and constitutional revolution. *Still*, I believe that the surrender of human personality involved in accepting the discipline and machinery of a body organised for conflict is an act I must not commit. *Still*, I believe that, however disastrous on a short view the results of pacifism may be, in a long view it is the one hope of converting the world—and conversion is more powerful than armies: “an idea is more dangerous than dynamite”: throughout

Violence

history, revolutions have succeeded, not through the defeat of armies, but through their coming over.

My position, then, is illogical. So, in this world of contradiction and compromise, is every position held by everybody on everything. If I am to abstain from preaching an ideal because it is impracticable, unattainable, illogical, "contrary to human nature"—than nobody is to preach any ideal whatever. Christianity goes into limbo. And Communism goes with it—or, at any rate, the Communism which I desire. For that is not a material State, with its rules imposed by the force of a minority on a majority, or even by the force of a majority on a minority, but a community in which the bulk of the people—a bulk overwhelming, not by its physical weight, but by its moral effectiveness—freely desires to share.

II—Force: The Midwife of Revolution

By WILLIAM PAUL

§1.

THE most important fact in modern history is the breakdown of Capitalism. This fact — which is pregnant with great possibilities — explains the number of convulsive social upheavals which have recently swept the world. As Capitalism becomes more unstable, as it becomes riven by the fangs of its own inherent contradictions, these upheavals are destined to increase both in number and severity and must inevitably create a series of intense revolutionary situations. In this development there exists the greatest possibility that the social revolution may take place in the immediate future. To-day no one views the social revolution as some Utopian phantasy; it is now being forced upon us as the only practical solution to the great social problem which history has placed before us.

The rapid approach of the social revolution and the coming struggle for proletarian power as the first decisive step towards Communism, have somewhat unsettled the sentimental dilettanti, who were always ready to assert their belief in Communism *as an ideal*. Now that history has imposed the task upon us to fight to obtain Communism, to translate the social *ideal* into a social *reality*, our high-minded friends, while not rejecting the ideal, are not anxious to participate in the relentless struggle inseparably bound up in the attainment of Communism. Some of them protest against class-strife; others dislike the iron hand of proletarian dictatorship, and many of them object to the use of force as one of the weapons in the revolutionary combat. So deeply engrossed are these people with their ideal and saccharine conception of Communism that they have neither faced the realities of the

Force

class struggle, the cruelties of Capitalism, nor the economic needs of the desperate masses. They do not seem to understand that any attack upon the political and economic privileges of the propertied interests will be resisted with desperate savagery, and that these interests may plunge the country into civil war. The idealists are thus able to pose as superior critics of the virulent and aggressive tactics of the Communist Party; they seem shocked that active revolutionaries, engaged in a hand-to-hand fight in the class-struggle trenches, do not display that sweet brotherliness which their ideal conception of Communism led them to expect. The real trouble with the Utopians is that, while they are sincerely eager to reach the end of their journey, they are not prepared to participate in the common, thankless, work-a-day struggle to prepare the necessary means to enable them to reach their objective. Perhaps the commonest objection put forward by the sentimental Utopians against the realist Communists is the latter's insistence on the need for so planning the revolutionary movement that it will be able to overcome the violence of the reactionaries. To object to the organising of the Might of the disciplined masses seems strange, inasmuch as many of the idealists have been compelled to observe quite recently a series of desperate and bloody deeds which indicate that the propertied interests intend to defend their social system by measures at once violent and ruthless.

§2.

With the use of political society, which is based upon private property, force makes its appearance as the weapon of a ruling class. Within the old communistic clan system force was only used against those outside the clan. With the rise of private property, with the rise of class differences and antagonisms, the organised political power of the dominant class—the State—was utilised to preserve its class interests against foreign aggressors and against the subject of enslaved classes at home. Since the rise of political society

The Labour Monthly

and the State, force has always been the *ultima ratio* of the ruling class confronted with any demands that threatened its political and economic interests. Surrounding itself with a series of legal and political defences, these are violently defended, during any social upheaval, as "law and order." To criticise "law and order" becomes an attack upon the Constitution which, in turn, is raised to the level of something more sacred than the holiest religion.

Many of our modern parliamentary Labourists see in the history of the masses, from chattel slavery to the wage-system, a series of magnificent and glorious upward steps towards freedom. In reality the average modern worker is exploited, relatively, upon a much greater scale than was the average ancient slave. The so-called political advantages of the masses to-day, which may be rendered inoperative at any moment of social crisis, have been gained at the expense of the comparative security which distinguishes the slave and the serf from the "free" wage-worker. The slave was brought in direct contact with force; the serf was also kept down by force and was mentally bull-dosed by the Catholic church; the modern "democratic" wage-worker is menaced by Emergency Acts, etc., by the dope Press—and, when these fail, by Black Friday specialists and the armed forces.

§ 3.

In the history of political society there have been several important revolutions. The lessons from these show that while history was on the side of the revolutionary elements that victory only came to them because their organised force was superior to that of the defenders of the old social system. A study of these revolutions shows that revolutionary groups were always anxious to achieve their aims in a peaceful manner. In most cases the revolution had been actually accomplished, and the work of reconstruction commenced, when the deposed interests hurled themselves upon the revolutionaries and precipitated a period of civil war. In England very few of the revolutionaries imagined that it

Force

would be necessary to defend the revolution by executing Charles I. as the leader of a rebellion against the Commonwealth. This is admitted by all the historians. Likewise, in France, the most extreme zealot on behalf of the revolution never dreamed for one moment that Louis would be guillotined as a plotter against it.

It may be argued that no analogy can be drawn between past revolutions and those which may come in the future. Many people, particularly of the pacifist school, are under the impression that the political enfranchisement of the workers means that the coming social revolution will be peaceful. Every Communist desires, most fervently, that the new social order may be established with the minimum of social friction. But our desires and hopes do not settle historical problems. We have to reckon with the capitalist-imperialists; and their actions during the past few years give us no reason to assume that they intend voluntarily and peacefully to yield up their political and economic privileges. Every scrap of evidence, unfortunately, points the other way. A new factor enters into the proletarian revolution which was not present in any of the earlier revolutions in history. All previous revolutions, with the exception of the Soviet revolution, were struggles between propertied classes over property relations. In the Cromwellian revolution, as in the French revolution (1789), we see the political struggle engendered by the economic conflict between the landed and the bourgeois forms of property. But in the coming proletarian revolution *the directing force of the struggle is an attempt on the part of the propertyless masses to end the propertied system!* It is this definite character of the proletarian revolution that makes it almost certain that the propertied interests will fight with unprecedented ferocity. It is this aspect of the proletarian revolution that explains why for over four years the power of world imperialism was directed against Russia.

§ 4.

Marx, viewing revolutions and with a great knowledge of history to guide him, contended that "force is the mid-

The Labour Monthly

wife of every old society pregnant with a new one." Many superficial critics of the Communists point to this statement by Marx as indicating that the proletarian revolution will be an orgy of violence. It should be noted, as Daniel De Leon took pains to point out, that Marx does not sum up a revolution in the terms of force. The midwife force only intervenes at the critical moment of birth. The development leading up to the birth, its time and place, are factors outside the control of the midwife.

The critics of the Communists are very prone to confuse force with violence. No group in the Labour movement is more relentlessly opposed to deeds of individual violence than the Communist Party. Every political organisation in the world believes in force. Force is that social power derived from the organisation of individuals in such a manner as to enable them to enforce their will upon society. The real force of a revolutionary movement depends upon the way in which it is able to organise great masses of determined workers in every plane of social action, to set up new administrative organs to replace those of the old regime. This is the most important work of the revolution. Side by side with this constructive work its general agitational and destructive work will be of such a character as to undermine and loosen the props of the old institutions. The culmination of these tasks will be reached at the moment of social crisis when the revolutionary movement seeks to relegate to itself all political and industrial power. All this is peaceful work, and its success depends upon the organised force of the revolution. As these peaceful aims are directed against Capitalism and the propertied system, and as the final objective of the revolution is to uproot the economic and political power of the propertied interests, it would be sheer stupidity to expect the present ruling class to surrender voluntarily. Knowing what history teaches regarding the bitter conflict of past revolutionary periods; remembering the tigerish brutality of the imperialist forces against the Communists of Rumania, Hungary, Finland and now

Force

in Poland; seeing their policy at work in India, Egypt, and recently in Ireland, it would be worse than criminal treachery to suggest that the revolutionary movement should go forward without preparing itself to meet the civil war, which the proprietary class is determined to enforce upon this country when a revolutionary situation develops. It is when the reactionaries leave the civilised plane and descend to the field of brute force to smash the new organs of social administration, it is at that critical moment that the organised might of the proletariat upholds the right of the revolutionary movement by exerting part of its great force to sweep its enemies out of the way. It is at this moment of danger to the new rising social order that revolutionary force passes, briefly, into the sphere of violence. But even here the violence is controlled by the organised forces of the revolution. To neglect to prepare for such an emergency; to wait until the White Guards and the Black and Tans are sweeping over the movement, choking it in its own blood, is the best and surest way to invite inevitable disaster and bloody defeat.

The propertied interests respect neither religious texts nor logical propositions. These are always moved to action to protect their interests. They hold the world by their power, and they only respect power. Thus, those who desire to see the social revolution carried out peacefully, and all of us desire that, should see to it that the revolutionary movement is prepared for every emergency by being able to wield such power that it will compel the propertied interests to behave themselves when history beckons us forward to the new social system.

THE THREE STAGES OF CAPITALISM.



I.—For pity's sake. II.—Social Reform. III.—Death.

—*La Antorcha.*

THE RED CARNATIONS.



DEATH THE FASCIST: "Cut down one and all these grow up."—*Avanti*.

POINCARE-LA-GUERRE.



A day will come . . .—*Humanité*.



His popularity.—*Humanité*.

THE INVALID



Minneapolis Labor Review.

The World of Labour

	PAGE		PAGE
INTERNATIONAL : Seamen's Conference	176	HUNGARY : Position of Trade Unionism	181
CZECHO - SLOVAKIA : Trade Union Congress	177	INDIA : Factory Legislation ..	183
FRANCE : Trade Union Conflict	177	JAPAN : Development of Workers' Organisations ..	183
GERMANY : Independent Socialist Congress	179	RUSSIA : Trade Union Statistics ..	185
		„ Ninth Soviet Congress ..	186
		SOUTH AFRICA : Rand Miners' Strike	186

INTERNATIONAL

International Seamen's Conference at Hamburg

ON January 11 and 12 an International Seamen's Conference was held at Hamburg, called by the International Transport Workers' Federation. The Amsterdam Bureau, to which the Federation is affiliated, had through Edo Fimmen urged the summoning of this conference, in order to deal with the situation created by the secession of Havelock Wilson and his group, who have founded a "chauvinist international" for seamen on their own, called the International Seamen's Federation. One or two smaller organisations in the Scandinavian countries and in Belgium appear to have joined Havelock Wilson at first; but since the Hamburg Conference, at which they were also represented, they have returned to the old Federation. Considerable use was made by Edo Fimmen of the allegation that Wilson had approached Stinnes during his London visit last November with a view to getting the latter's assistance in inducing the German seamen's organisations to join his Federation. Subsequent denials have been issued by Havelock Wilson that this was the purport of the interview; but the fact of the interview is admitted.

At the same time the conference at Hamburg threw down the glove to the Left Wing international organisation of seamen. Thus the conference, at Fimmen's suggestion, did not admit the participation of the "Deutscher Schiffahrtsbund" (the largest single seamen's organisation in Germany, membership 12,000), or the All-Russian

The World of Labour

Transport Workers' Federation or the Bulgarian Transport Workers' Union. These three Unions represent twice as much in membership as the whole of the parties represented at the Hamburg Conference. The objection to the participation of these three Unions was of a purely technical nature. The German, Russian and Bulgarian delegates have issued a manifesto protesting at their exclusion and concluding: "We hope that the next time an International Transport Conference is summoned the seamen of all lands will find the necessary means to make it representative of all branches of the International Transport Workers' movement."

CZECHO-SLOVAKIA

Trade Union Congress

AT Prague, January 22—26, the annual Congress of the Czechoslovak Trade Union Federation took place. The most discussed point at the Congress was the international position, which was finally decided by a vote of 339 for retention of affiliation to the International Federation of Trade Unions at Amsterdam against 227 for the Red Trade Union International. This vote divides the Federation up into 338,447 majority Trade Unionists, who for the most part belong to the Social Democrats, 222,027 minority, either belonging to the Communist Party or sympathetic towards it; notably the agricultural workers, 113,600 strong, the building workers with a membership of 84,700, and the wood workers' Union, with 37,700 members, had previously declared themselves favourable to Communist doctrines. The vote on the International is not expected to cause a split.

The membership of the Federation was stated to be 822,600, organised in 53 Unions, a remarkable increase over 1914, when the registered members were but 55,178, or even since 1919, when the total equalled 727,055. A notable feature in the Czecho-Slovakian Unions is the great number of women, who are estimated to constitute about 27 per cent. of the total membership; 53 per cent. of the agricultural workers and 75 per cent. of the textile workers' Union.

FRANCE

The Trade Union Conflict

THE prospects of realising Moscow's latest programme of "the united front" in France seem very dubious. The schism accomplished in the Socialist movement at Tours, and the growing schism in the Trade Union movement which the "Unity" Congress held by the revolutionary wing (C.S.R.) on December 22 only sealed, appear equally to be deep and irreparable.

The Labour Monthly

The controversy between the International Trade Union Federation of Amsterdam and the Red Trade Union International of Moscow over the responsibilities of the split in the French General Confederation of Labour has been carried a stage further by the publication of fresh telegrams exchanged between Losovsky, the Moscow Secretary, and Fimmen and Oudegeest, the two secretaries of the Amsterdam body.

On December 16 last, it will be remembered, Losovsky telegraphed to Amsterdam urging an immediate conference between representatives of both Internationals, and of both fractions of the C.G.T. in order to discover some means of avoiding the approaching rupture in the French Trade Union movement. Oudegeest replied to this proposal in a telegram (the text of which was approved and actually drafted, as we now know, by the reformist leaders of the C.G.T.) agreeing to a conference, but on condition that the representatives of the revolutionary minority in the C.G.T. were not to be present, and that Losovsky succeeded in persuading his friends in France to postpone the "Unity" Congress. This reply was sent to Moscow on December 21—the very day on which the Congress opened!

On December 30 the Amsterdam Bureau sent the following further telegram to Moscow:—

Following telegram December 21st. After discussing your telegram December 16th asking conference unity French Trades Unionism our bureau at meeting yesterday recorded fact that congress of French minority has already been held and that it is responsible for split. Condition laid down in our telegram not fulfilled. After you and your friends have broken unity no longer any reason for conference. OUDEGEEST.

To this Losovsky replied in a telegram dated January 14 of this year:—

Your further telegram received. Refusal to participate in international conference following on "Unity" Congress proves only one thing—that Amsterdam International does not desire unity and that it fears it. We believe for our part that now, above all, an understanding is possible in France, on the basis of the decisions of the Unity Congress.

LOSOVSKY.

The Amsterdam International retorted in a long letter dated January 23, and signed by Edo Fimmen. In this letter Fimmen recalls the offer of help and the proposal for joint relations made to the Russian workers by the Amsterdam International in October, 1919—an offer and a proposal left unanswered. Fimmen recalls the efforts of the Amsterdam body to raise the Terror in Hungary by means of a boycott, and its later campaign to prevent the transport of munitions to Poland, for use against Russia.

"You replied to this," concludes Fimmen, "by calumnies and fresh attacks. The International Trade Union Federation has proved that it

The World of Labour

desires and does not fear unity. It is you and yours who have, up to now, done nothing but sabotage unity, in the obvious fear that the Russian workers should perceive that you have calumniated the International Trade Union Federation without reason."

The official Bureau of the C.G.T. has since the C.S.R. December Congress decided on holding a Congress on February 12. In view of this decision the C.S.R., or, as it now terms itself, the "Unity" C.G.T., issued a statement reaffirming its desire for unity and postponing the date fixed for a definite reply from the C.G.T. from January 31 to February 15, provided the Bureau summons delegates of all those Unions represented at Lille to the February meeting. Since this announcement it has transpired from a C.G.T. official that no Union that took part in the C.S.R. December Congress will be invited to the official meeting on February 12.

Thus the present situation in France is that there are two C.G.T.s in being—the statutory organisation of the reformists (who still claim a majority) and the provisional C.G.T. of the revolutionaries, which has its headquarters in the offices of the Paris Federation of Trade Unions, a red organisation, from which the gradual revolt against Jouhaux and his friends has been mainly directed. Each of these bodies issues a daily bulletin of secessions and accessions, of loyalties and infidelities, on the part of their affiliated Unions. What makes it very difficult to estimate their respective strengths is the fact that many of the local Unions claimed by each camp are Unions only partially in being, their memberships having fallen or disappeared almost entirely since the Armistice.

More serious and more significant than the actual proportions of the Trade Unionists affiliated to either C.G.T., however, is the growing tendency of important Federations like that of the *Fonctionnaires*, or State Servants, and P.T.T., or Postal and Telegraph Workers, to leave the old C.G.T. and refuse to affiliate with the new body. And behind this third camp of Trade Unionism in France one sees faintly the gathering shape of a new organisation with a new policy—or, rather, an old policy—the policy of the pure Syndicalism of Pelloutier.

GERMANY

Independent Socialist Congress at Leipzig

THE first Congress of the Independent Socialists since the split of the old party over Moscow's 21 points at Halle in 1920 took place on January 8—12 at Leipzig. In the report of the party executive it was stated that the members of the party who up to date had paid their subscriptions numbered 300,659, of whom 44,766 were women. This shows that by the split the party has lost roughly half its members, who went over to the Communist Party. Owing,

The Labour Monthly

however, to the internal conflict within the Communist Party between the supporters of Levi and his opponents during 1921 it is doubtful if many of the 50 per cent. which left the old Independent Party are now active members of any party at all. The finances of the present Independent Socialist Party showed an income for the year of 1,885,000 marks and an expenditure of 1,749,000.

The Congress last month had the task of settling the policy and tactics of the party for the coming year, particularly with regard to the burning question of taxation and finance. The Independents' party programme, which was drawn up in 1919 under pressure of the Left Wing, now gone over to the Communists, has ever since the Halle Congress been a white elephant to the present leaders of the party. The question was whether this Congress would decide to alter this programme, which, amongst other things, recognised the need for the dictatorship of the proletariat through workers' councils, or whether it would content itself by a wide interpretation in practice of its clauses. The various tendencies within the party, represented by Hilferding and Breitscheid (Right), Crispin (Centre), Ledebour and Rosenfeld (Left) agreed upon a middle course. The old party programme was retained, but was supplemented by a manifesto, which was to act as the guide for problems of the immediate future.

The manifesto which was unanimously passed by the Congress is a typical production of Continental Marxism of the "centrist" type. It begins by emphasising the fact that Capitalism has recovered from its crisis since the revolutionary period of 1917—19, and, contrary to the Communist view, holds that it is strengthening and consolidating itself. For the weakness of the proletarian parties through the world this Centrist manifesto lays the charge at the doors of the Reformists, on the one hand, and the Communists, on the other. In Germany the former, represented by the Majority Socialists, by practising and preaching coalition with the bourgeoisie during the revolutionary year 1919, betrayed the proletariat and handed power back to the reaction. By their impatience and recklessness the Communists, on the other hand, had split the proletarian ranks by forming their sectarian parties, inspired by Anarcho-Blanquist tendencies.

The manifesto then proposes the following practical measures for uniting the proletariat on immediate practical issues in Germany:—
(1) The continuance and extension of the present Labour legislation.
(2) Determined struggle against all attempts to increase the working day.
(3) Determined struggle against all attempts to restrict freedom of Labour organisation and the right to strike.
(4) Extension of the rights of the workmen's councils.
(5) The full recognition of the principle that the State is responsible for the support of all necessitous, infirm or unemployed members of society.

The World of Labour

Further, with reference to finance and taxation, the manifesto says that all measures to raise fresh revenue must not include further increase of indirect and consumers' taxation, but must be accompanied by a "recognition of the liability of property to bear its fair share of the State burdens." The Independent Socialist Party rejects all further burdens on the workers and regards the State mortgage on industry (*Erfassung der Sachwerte*) as the basis of real finance reform. It also demands immediate collection of arrears of taxation, particularly the outstanding income and property taxes, the remaining two-thirds of the capital levy and a special taxation of stock exchange transactions. The party also demands the socialisation of key industries, beginning with the coal industry.

The practical measures proposed by this manifesto show in certain points a deflection from the old programme. This is particularly the case over taxation. In the old programme it was stated that the party demanded the complete abolition of all indirect and consumers' taxes. A similar passage is also to be found in the still older *Erfurter* programme of the old German Social Democratic Party. In general, it may be said that the manifesto of the German Independents marks an attempt by compromise and non-committal phrases to realise the Centrist aim of uniting the reformist and revolutionary wings of German Socialism, if not in one party organisation, at least on a common platform for immediate, practical issues.

HUNGARY

The Position of Trade Unionism

SINCE the inauguration of the White Terror in Hungary, following the fall of the Bela Kun Government, Trade Unions in Hungary have been subjected to continuous Government persecution. Trade Union activities have been literally suspended because of the extreme difficulties of association; it is necessary to obtain permission from the authorities to hold a members' meeting, or an executive; Trade Union offices may be raided with impunity and the books and correspondence examined by either civil or military authorities; a censorship both of post and Press was waged, and strike leaders risked imprisonment. That these conditions have not been ameliorated is seen by the resolutions passed at the recent Congress held in Budapest on December 4, and attended by 313 delegates representing 42 organisations. In the resolution demanding the right of association and the right to strike the Congress declares:

That the report submitted by the Hungarian Minister for Foreign Affairs to the International Labour Office does not state the truth, as the decrees imposing restrictions on the right of association are still in force; that the local authorities of their own accord are interfering with the right

The Labour Monthly

to organise and to strike by acting in excess of the terms of these coercive decrees. Workers taking part in a wages movement are impeached and incarcerated.

For these reasons, the Congress demands, in the interest of the workers and of internal order :

(1) Recognition of the right of the workers to combine, assemble, and to strike, by virtue of the general rights of mankind and of equality before the law. Dissolved workers' organisations are to be reinstated in their old rights, and property confiscated contrary to law is to be returned.

(2) Official prohibition of the so-called Black List of the employers by which the workers who are struggling for a higher standard of living are forced to emigrate.

(3) Police supervision, obligation to report, and the system of internment and political persecution, together with censorship, must be abolished.

(4) The Government shall allow the Trade Union Centres to organise and to superintend provincial branches of their organisations.

(5) Meeting places shall not be commandeered in future. Those at present in the hands of the authorities are to be restored to their rightful owners.

(6) The Government shall repeal Decree No. 6407/1920, which places mine workers under military control, and consequently, without any just cause, deprives them of the liberty to change either abode or occupation, the right of assemblage, and the right to strike.

The Congress, in protesting against the high cost of living and low standard which the employers are imposing upon the workers, demanded :

(1) That the Government shall reduce the price of the most important food commodities; (2) that exportation of food be prohibited and the free importation of food be sanctioned; (3) that employees with a salary of less than 10,000 kronen per month shall be regarded as " persons of small means."

Accurate data regarding the strength of the Hungarian Trade Union movement are, as might be supposed, not forthcoming, but the estimated present strength is 300,000. Despite the Government restrictions indicated above, news of strikes and lock-outs begins to be more frequent, pointing to a re-awakening of the workers. In the " Danubins " factory in Budapest 2,000 workers were locked out on January 26 because the workers' delegates demanded the immediate dismissal of those workers belonging to the Christian Socialist or yellow Unions; the employers refused to consider this, and the workers having shown determination to maintain their position, the employers resorted to a lock-out.

Unemployment is greatly on the increase both in Budapest and in the provinces; in the capital the present total is 75,000. The trades most affected are those of the metal workers, where there are 20,000 unemployed, and the wood workers, of whom 10,000 are out of work.

The World of Labour

INDIA

Factory Legislation

AT the recent session of the Indian Legislative Assembly at Delhi on January 10 amendments to the Indian Factories Act were ratified and passed. The new Act embodies the draft conventions and recommendations (in the form in which they were specially modified for India) of the Washington International Labour Conference, with the exception of the draft convention on maternity and maternity benefits. Mines are to be excluded from this Act; special amended legislation being contemplated under the Mines Act. The chief points in the new Factory Act include:

(1) The term "factory" henceforth shall mean any concern employing twenty or more persons instead of fifty as under the 1911 Act.

(2) A basic ten-hour working day for all adults, with the proviso that no person shall be employed more than sixty hours in any one week or twelve in any one day; the Amendment in the 1911 Factories Act fixed a twelve-hour day for men and eleven for women, with an interval of half an hour per day for meals.

A six-hour working day for children; this already operates in textile factories.

(3) The minimum age of children to be raised from nine to twelve, and the term "children" to apply to all those under fifteen instead of fourteen as hitherto; this new age limit shall not be introduced till July, 1922, to avoid unnecessary dislocation.

(4) Rest periods of not less than one hour for adults for every six hours worked; no child to work more than four hours continuously without half an hour's rest; no person to be employed in any factory on Sunday, though it is permitted in cases of factories where continuous processes operate to substitute a mid-week holiday for those workers compelled to do Sunday work.

(5) Overtime rates to be paid at not less than one and a quarter times the normal rates in cases where factories are exempted for any special reason from the regulation enjoining a maximum week of sixty hours.

JAPAN

Development of Workers' Organisations

Trade Unions.

THE central organisation of Japanese Trade Unions, the Yuai Kai, met in Congress at Tokyo in October last, when it decided to adopt a new title: Nihon Rodo Sodomei, or the General Federation of Japanese Workers; the title Yuai Kai merely meant Friendly Society, and owing to the development of this central organisation since its inception in 1912 the title was no longer considered expressive of the aims and objects pursued. The Trade Union organ will henceforth be entitled *Rodo Domei* instead of *Rodo* as hitherto.

The Labour Monthly

All Government employees may now be organised within the ranks of the Kojo Kai, instead of only the employees of the military arsenals. 500 State tobacco workers have already joined, and efforts are being made to urge the railway workers and all other State employees still outside the Kojo Kai to join. The policy of this organisation is best understood from its decision to urge Parliament to pass all necessary labour legislation.

Unemployed.

A new development in organisation is instanced in the formation of the Ronin Kai, Society of Unemployed, in Kobe. This organisation was brought into being by the many strikes in that city, resulting in the dismissal of about 2,000 workers, and especially by the men thrown out of work by the strikes in the Mitsubishi and Kawasaki ship-building yards. The Ronin Kai has three chief sections: (1) Labour Exchange, to collaborate with employment exchanges (established by law in Japan in July, 1921) throughout the country in procuring work for the members; (2) Industrial Enterprise, with a view to starting industries to provide work; (3) Commercial, to open shops for daily necessities on co-operative lines, where the members of the society will be the employees and also the shareholders.

Wages.

Since 1920 wages have been on the decline in Japan; in Yokohama, taking the wages in 1912 as 100, the figure for 1920 had reached 279; but since then, as the following figures show, reductions in wages have been general. In May, 1920, day-labourers, smiths, tailors, masons, received 2.50, 3.30, 2.55 and 3.50 yen respectively, and in May, 1921, these wages were reduced to 2.20, 2.60, 2.30 and 3 yen respectively. In general, wages in 1920 rose 200 per cent. over those in 1912; in agriculture the unit in 1920 equalled 281; in the clothing and jewellery trades, 306; in trades connected with food stuffs, 272; building, 287; furniture, 294; and in other branches of industry, 301.

Education.

An Institute of Workers' Education, the Rodosha Kyoiku Kyokai, was inaugurated in Tokyo in June, 1921, under the leadership of Bunji Suzuki, honorary president of the Nihon Rodo Sodomei, for the purpose of educating the workers to the better understanding and solution of the problems with which Labour is faced. The headquarters of the Institute are in Tokyo, and consist of five departments: (1) Education, for the establishment of workers' schools, courses of lectures, libraries and a museum; (2) Publications, to organise a correspondence school and bookshop, to publish lectures, pamphlets and leaflets on social problems; (3) Research, to collect

The World of Labour

labour statistics and circulate results of research into all labour questions; (4) Consultative, to advise workers on the formation of Unions; and (5) Legal, to give legal advice and help in all labour disputes. The first school on these lines in Japan was started in September, 1921, when 160 pupils, ranging in age from 19 to 60 years, were enrolled. The curriculum will include industrial politics, labour legislation, factory management, psychology, political economy, history of the Labour movement, etc. The official organ of the Institute is the *Rodo Gaki Ho*.

RUSSIA

Trade Union Statistics

AT the present time the number of Trade Unions in Soviet Russia has decreased from 23 to 21, owing, firstly, to the fusion of the Unions of food and tobacco workers, and, secondly, to the fusion of the Union of Art Workers with that of workers engaged in education and Socialist culture.

The following statistics are issued relating to Trade Union membership in November, 1921.

Trade Union.	Membership.
1. Metal workers	561,644
2. Textile workers	373,751
3. Miners (including petroleum industry)	303,418
4. Chemical workers (including glass and porcelain workers)	194,897
5. Leather workers	235,025
6. Building workers	299,524
7. Garment workers	159,469
8. Food workers (including tobacco workers)	319,054
9. Printing workers	81,644
10. Railway and water transport workers	1,277,157
11. Local transport workers	127,521
12. Soviet employees	882,489
13. Medical workers	482,396
14. Workers on communal services	179,393
15. Wood workers	183,411
16. Art and Education workers	540,054
17. Land and Forest workers	206,018
18. Public Communications	189,854
19. Public Feeding workers	109,718
20. Workers in sugar industry	69,345
21. Stationery industry	27,158
Total	6,802,940

The total membership, amounting to 6,802,940, represents a decrease of about 54,000 compared to the membership of 6,857,000, recorded at the Fourth All-Russian Trade Union Congress of May, 1921. The decrease is largely a result of the development of the

The Labour Monthly

new economic policy and its effect on workers engaged in home industry and on the small workers' societies (artels). These workers under the new conditions mostly prefer to work for the open market, becoming small "entrepreneurs," and are consequently deprived of the right to Trade Union membership. A registration of the workers engaged in home industry has recently been begun.

Ninth All-Russian Soviet Congress

In Moscow from December 24—29 the Ninth All-Russian Soviet Congress met; it was attended by 1,952 delegates, 1,606 of whom had voting powers. The subjects under discussion were : (1) Reports of the All-Russian Central Executive and the Council of Commissaries both on the internal and international situation; (2) Report of progress in respect to famine relief work; (3) Report on first results of the new economic policy; (4) Report on the industrial situation; (5) Future plans for the restoration of agriculture, especially in the famine-stricken areas; (6) Finance; (7) Legislation in respect of Co-operative Societies; (8) The international situation; (9) The Red Army; (10) Development of the Soviets; (11) Electrification of Russia; (12) Election of the All-Russian Central Committee.

Lenin in his speech on the international situation and the new economic policy pointed out that the basic factor in all revolution is the form of the alliance between worker and peasant. It is necessary to prove to the peasants that they have an interest in this alliance, the new economic policy is based on this principle. This work of uniting worker and peasant is not only a Russian problem but a world problem. In a report on the new economic policy it was stated that up till December 5,000 factories, chiefly small mills, had been leased—there was no instance of any large factories having been leased.

In his report on the Red Army, Trotsky stated that its present strength was 1,300,000; its greatest strength at any period was 5,300,000.

The Congress decided that in future it should meet once a year; whilst the Central Executive Committee of Soviets should have three separate sessions annually. Resolutions were passed approving the new Soviet Government policy, and urging that further efforts be made to alleviate the distress of the famine victims.

SOUTH AFRICA

Rand Miners' Strike

THE most important strike movement in South Africa since the opening of the war developed in the Rand mines in the early part of January. The movement began with a strike of the coal miners on January 1 against a threatened wage-cut of all that re-

The World of Labour

mained of the war bonus, amounting to 5s. a week. On January 9 this was followed by a general strike of the gold miners on the world's greatest gold field, the Witwatersrand, involving 25,000 white miners. This strike turned on the question of white and coloured labour. The Chamber of Mines had proposed in November a scheme of reorganisation of work in the mines, which the white workers alleged would have the effect of reducing their standard of living by the increased employment of coloured labour. The scheme was rejected by the men, and a ballot in favour of a strike was carried by 11,043 votes to 1,069. Thus the whole question of white and coloured labour has been raised; and in addition the openly hostile attitude of General Smuts has given the movement an anti-governmental and republican character.

A conference of the employers' and the men's representatives was held at the end of January, and the employers proposed: (1) That the ratio of white to coloured workers be 1 to 10.5, for a period of two years, the management retaining power to reorganise at will within these limitations; (2) That men taken on after the strike be paid December, 1921, rates of pay plus half the cost-of-living bonus in force on January 1; this bonus to disappear entirely in June, 1922.

The question of the colour bar was more accentuated by these proposals (which were rejected), and quite nullified the contention that the colour bar played no part in the recent dispute. The difference in the wages paid to the white and coloured workers has been a frequent source of strikes—the employers on their part working to increase the number of native or coloured workers, whose pay approximates to about one-fourth of that of white men. In 1919 the relative proportion of white and coloured mine workers was 38,851 white, 3,239 Asiatic, and 255,075 natives and coloured workers other than Asiatics. The total coloured population in South Africa, according to the 1918 census, was 5,500,000 to 1,450,093 whites. By dint of the colour bar the white workers have made a monopoly of all kinds of skilled work. In 1920 native strikes took place for increases in wages, one of which involved 71,033 workers.

The wage increases for white workers between 1914 and 1920 were 58.4 per cent.; those of the natives 12.2 per cent.; decrease in production by the whites per man, 126 tons; decrease per native worker, 14 tons. From these figures it is clear how the employers stand to gain by the division of the white and the coloured workers. It has become increasingly clear from the present strike that the white workers will be unable to solve their own problems until they are prepared to assist and support the organisation of the coloured workers.

BOOK REVIEWS

IS CAPITALISM RECOVERING?

Die Neue Etappe. By Leo Trotsky. German translation in Verlag Kommunistische Internationale, Carl Hoym, Hamburg.

IT is fortunate that Trotsky was for a few weeks last summer released from his administrative work in one of the great departments, which he has so successfully controlled. For it gave him an opportunity to return for a short time at least to the work in which he was engaged before the war, namely, scientifically studying world economic developments and interpreting them from the Marxian standpoint. The above booklet, which has appeared in Russian and now in German, contains the material which formed the basis of his report to the Third World Congress of the Third International on the world economic situation. Its object is, as its title implies, to review the stages through which capitalist production passed between 1917 and 1921, and to take stock of the work of organising the proletarian forces of the world in its struggle against Capitalism.

During last year it was evident to all careful observers that the revolutionary wing of the world Labour movement would need to re-examine its strategic position in the war against Capitalism. The stormy years of 1918 and 1919 had gone; citizen armies, fed on promises of "new worlds after the war," had been safely demobilised and "reliable" forces had replaced them; revolutionary workers' councils had been dissolved in Germany; Kapp's generals had been put in their places, but Stinnes ruled on the ruins of the "socialisation commission"; the Russian Red Army, victorious over Denikin and Koltchak, had been beaten back from Warsaw; the movement of the Italian proletariat had collapsed, and despairing revolts, which had broken out in Middle Germany in March, 1921, had been ruthlessly suppressed. Capitalism, defeated in Russia, had more than held its own in the rest of the world. That was the situation which prompted Trotsky to make this masterly review of opposing forces in the temporary lull in the battle, which followed the introduction of the new economic policy in Russia and the signing of the Trade Agreement with England and Germany.

A review of this sort was particularly necessary for the Communist parties throughout the world; for the period which closed with 1921 has given the Centrist school among the Continental Marxists, who follow the Vienna International, the opportunity to proclaim the bankruptcy of the tactics and theory of the Communist International, which, as was alleged, had prophesied the immediate world revolution

Book Reviews

and built up its policy on these vain hopes. "But," says Trotsky, "when we spoke of Revolution as the successor to the World War, we were and are still concerned not with prophesying the date of the eclipse of Capitalism, but with using the results of the war for accelerating the process of the Revolution."

In this booklet Trotsky adopts quite a different style from that of his anti-Kautsky book on "Terrorism." Here he is less the brilliant pamphleteer knight, tilting with the pen at the height of the struggle, and is more the scientific analyst of statistics and data, which he ably marshals to prove his theories. He is here, in fact, the Russian Keynes, who tells not 80 per cent. of the truth, because it would not be respectable to tell the remaining 20 per cent., but 100 per cent. of it.

What are the facts, as Trotsky presents them? The belligerent States in the late war have lost one-third of their national wealth; Germany, Austria, Russia and the Balkans well over half of theirs, France about half, and England less. "The fictitious capital—paper obligations, loans and banknotes—which remain, form reminiscences of destroyed wealth and hopes of new. But they are only hopes, not real wealth. The Frenchman's hopes are to liquidate this paper in the blood and sweat of the German. Capitalism is not restoring its means of production, but living on itself."

Trotsky answers the Centrist economists, who say that the boom of 1919-20 and the depression of 1921 is one of the cycles of trade, normal to the capitalist system, by producing curves of the world trade, coal and iron production from 1783 to 1920. Here one sees at a glance that modern industrial Capitalism since its birth has experienced two kinds of cycles. Roughly every nine years the curve rises and falls, but these minor curves are all part of much greater curves, which indicate the real pulse of capitalist economy. From 1783 to about 1810 the volume of world trade rose, then fell to 1825, but the fall was less than the rise, and a general improvement over this period was observable. After 1825 began the uninterrupted growth of Capitalism, and, but for a small break in 1848, which was, as Trotsky shows, the year of the revolutions which removed the last restrictions on industrial expansion, this continued up to 1873. Stagnation followed until the beginning of the century, and then an unprecedented boom, which showed that Capitalism had reached a stage in which it was competing for world monopoly of raw material resources. This was the real cause of the world war, which has been followed by a catastrophic fall in the curve of world trade. The major curve, says Trotsky, is now on the down grade. True, this curve may be broken now and then by periods of boom. But the booms will always be shorter and the depressions will always be longer, and the net result will be a fall in volume of trade and pro-

The Labour Monthly

duction. Thus, in 1919 the boom was artificial, produced by the Governments of Europe, who, in terror of the revolutionary wave, created fictitious wealth by inflating currencies, subsidising bread prices, spreading broadcast unemployment doles. In Germany, especially, this boom was of an entirely unproductive nature, because it took the form of smuggling abroad, at knock-out prices, part of the national wealth. The Centrist economists, like Hilferding and Otto Bauer, do not, says Trotsky, realise that these post-war booms of the capitalist system are not signs of strength at all. The rises in the curves are signs of fever, and not of strength, for they are not accompanied by a rise in the productive power of Capitalism, which is steadily on the decline. And here is the difference between the Centrist and Communist view of the present world economic situation. The Centrist sees the little curves and judges the pulse of Capitalism by this alone. The Communist sees the larger curve and notes the slow decline.

Only under one condition does Trotsky admit that the Centrist view may prove correct, and that is, if the capitalist system succeeds in establishing an economic equilibrium on the basis of the present decreased production and trade turnover. That would, of course, mean that the unemployed all over the world would become permanently unemployed and would die out. Europe would become partly depopulated and be reduced to self-sufficing agrarian communities. England and America, also with greatly reduced population, would have to reorganise their great industrial machines on quite different bases. Then indeed would Capitalism be stabilised again. Then the Centrist theory would triumph over its rival, and over the bones of starved humanity. But—and this is the main theme of the second part of Trotsky's booklet—this calamity can only take place if the subjective human factor fails to arrest the objective economic decay, if it fails to form the kernel of the new Socialist society. The task of creating this subjective factor, of preparing the mass psychology to resist this cold-blooded solution of the problem of civilisation, is reserved for the Communist parties of the world. By rigidly fighting the fatalism and quietism of the Centrists, this mass psychology may be created. But—and here Trotsky hits out hard at the Extreme Left, with its infantile diseases—the Communist parties must fight with equal severity the adventurous elements, who, failing to understand, like the Centrists, the long, wearisome process of the decline of Capitalism, try by partial revolts and guerrilla tactics to assault the citadel of Capitalism. This element was responsible for the March action in Middle Germany—an act of despair, which brought nothing but loss to the proletariat. Both the Extreme Left and the Centrists, says Trotsky, see the small curves of fictitious boom and do not see that it is set within a great

Book Reviews

curve of real decline. The revolutionary adventurer jumps to his conclusion of despair. The Centrist jumps to his, and promptly falls to sleep.
M. P. P.

A GERMAN DICTATOR

Hugo Stinnes. By Hermann Brinckmeyer. Huebsch. New York.
\$1.50.

THIS short and succinct study of Hugo Stinnes, translated from the German by Alfred B. Kuttner, and made available in English by Messrs. Huebsch, is in no way an exhaustive examination either of the development of the Stinnes group, the career of Hugo Stinnes, or the great economic and political conflict in which he is a central figure. The book has the limitations which its size places upon it, but within small compass it gives to the reader a very useful and very much needed survey of the evolution of the Stinnes concern. There has been far too much imaginative writing about this mysterious German industrialist and far too little of detailed fact to show us where he comes from and how it is that he occupies such an important place in German economic life.

The Stinnes group by no means takes its origin during the recent war. The coal carrying and coal mining business goes back as far as 1808, when Hugo Stinnes' grandfather, old Matthias Stinnes, made himself an independent entrepreneur at Mülheim-on-Rhine. In 1820 Stinnes had already 66 barges plying with coal on the Rhine and Ruhr and had established a connection with Rotterdam. All through the nineteenth century the Stinnes family was amassing one of those gigantic fortunes which have from time to time and in various places been made in the coal trade.

The early history of the Stinnes firm and family calls to mind that of Edward Pease and the enlarged family circle which the grand old railway and mineral capitalist drew about him at Darlington in the first half of the last century. Matthias Stinnes had the advantage of a navigable river to facilitate his business. Edward Pease had no such resource, and abandoned canal transport for the uncertain experiment of railway haulage. Stinnes ante-dates the Stockton and Darlington Railway by sixteen years. At the middle of the century it is doubtful which was the more important family; for the Stinnes had four mines of their own and controlling interests in 38 others.

The present head of the family concern or concerns, immeasurably expanded and made infinitely more efficient, is Hugo Stinnes, who was born in 1870, and might, with good reason, be compared with Christopher Furness or David Thomas, Lord Rhondda. The former would be more apposite, for the reason that the commodity in which both so largely traded was the same, viz., metallurgical coke, and

The Labour Monthly

that both went heavily into the iron, steel and heavy engineering trades. The Durham coalfield is, of course, dependent on sea carriage, whilst the Ruhr coalfield depends upon river transport. Allowing for the differences of location, the one inland on a great river and canal system, the other on the sea-board, with the differences that this makes not only as regards transport but as regards the market for steel, the parallel between the two great coking coalfields is extraordinarily marked. What the Newcastle-on-Tyne Electric Supply Co., Ltd., and its seven subsidiary companies in Durham and Cleveland are to the industry of the North-East coast and hope to be to its municipalities, that is the Rhine-Westphalian Electric Company, with headquarters at Mülheim and its ramifications extending from the Ruhr to the Dutch frontier. Just as the former is fed by and feeds the great industrial plants of the North-East Coast with heat and power, so is the latter an adjunct of the Stinnes colliery and steel works.

Just in the same way as a syndicate of colliery owners and financiers took over the Anglicised reconstruction of Siemens Bros., Ltd., during the war and another group of coal-owners and steel masters formed the English Electric Co., Ltd., so have the Stinnes colliery and steel interests, the Rhine-Elbe-Union, taken over the mighty parent of the Woolwich house, Siemens-Schuckert, with which Mr. Krassin was associated in Petrograd. Siemens-Schuckert were responsible for all the telegraph work of Russia, and had an immense connection in the former Empire. Karl Liebknecht told me in 1914 that they had closer connections with the Rathenau group, the A.E.G., than they professed. There is no doubt that they have long had an understanding, but it has not been altogether amicable, and, to-day, Walter Rathenau stands over against Hugo Stinnes in acute rivalry, the mechanical capitalist opposed to the coal and iron capitalist. With Rathenau are lined up the Krupps, the Hamels of Gutehoffnungshütte, and, apparently, the Hamburg-Amerika Line, and, probably, Thyssen. With Stinnes are the Kirdorfs of Gelsenkirchen, the Siemens group, and, seemingly, though this book is unfortunately, completely silent on the influence and operations of the German great banks, the Disconto Gesellschaft, which, we have reason to believe, is a Rothschild bank.

Just before the war Vickers, Ltd., and Siemens-Schuckert were mixed up together in an unsavoury scandal in Tokyo, and the latter had, quite obviously, a link with the former. This is the more interesting in that Vickers, Ltd., and the Furness interests are interwoven one with another; both are indubitably hostile to the Schneider-Creusôt offensive aiming at securing control of the industrial plants and transport systems of Central Europe for French capital, and

Book Reviews

the same American money power stands behind Rathenau and the A.E.G. as stands behind the French Thomson-Houston, which is in close alliance with Schneider. This book, in clarifying the relations of Stinnes and the German electrical apparatus manufacturers, makes it possible to understand—though written before the contest became apparent—the orientation of Stinnes towards British capital and of Rathenau towards Loucheur, French and American capital. Rathenau's type of electrical finance capital would be happier, one would imagine, with French and American electrical finance capital than in conjunction with Stinnes' more industrial form of money power.

There is one thing to be said very strongly in this little book's favour, and that is that it places in easily grasped sequence the stages of development of the Stinnes group, and shows the essentially scientific and purposeful scheme upon which the great industrialist is working. What one would have liked to have been told is how he has obtained the immense credits which he must have required to carry through his consolidations. On this all the narrators and the still more numerous romanticists are most provokingly silent and, almost certainly, ignorant. That Stinnes, like Furness, Rhondda and Leverhulme, consolidated his businesses and expanded their scope with about ten times as much of other people's saving as his own can be taken as axiomatic. That is the way that thrift works under the spur of private enterprise.

J. T. W. N.

THE EPIC OF OIL

Oil. Its Influence on Politics. By F. Delaisi. Translated by C. Leonard Leese. The Labour Publishing Company, Ltd. 3s. 6d. cloth. 2s. 6d. paper.

OIL dominates international politics. The oil industry is controlled by two gigantic trusts: the Standard, of America, and the Royal Dutch and Shell Combine, which depends upon the British Navy to defend its far-flung interests, reaching all round the world.

Each of these trusts has assets valued at over £200,000,000 and their subsidiary companies pay dividends up to 60 per cent.

Banking combines are large holders of oil shares, and many directors of oil companies are also directors of large firms in other industries, so that the political power of big business tends to concentrate in the oil trusts.

To-day, oil fuel is burnt by the two largest navies in the world, so both the British and the American Governments have a vital interest in securing adequate oil supplies.

Armies also demand petroleum products, and in a letter printed in the appendix to this book, M. Clemenceau writes to President Wilson :

The Labour Monthly

"A failure in the supply of petrol would cause the immediate paralysis of our armies." (p. 85.)

Oil supplies motive power to automobiles, Diesel engines, ships, locomotives, aeroplanes, and Governments; and it will be observed that the San Remo Agreement is signed not only by the British and French Premiers, but also by J. Cadman and P. Berthelot, their oil experts, who trot round to the seaside conferences with them.

M. Delaisi has written a graphic account of the titanic struggle between the British and American oil interests to obtain control of the world's oil resources, a struggle in which both groups are backed by their Governments.

The scramble for oil is partly responsible for the friction between Britain and France; M. Delaisi relates how "the Emir Feisul was pushing the Senegalese battalions of General Gouraud towards the Syrian coast," and that, "the strangest part of it all—and everybody knew it—was that the power of Emir Feisul depended upon the arms, the money, and the support of our good friends the British. Then Lord Curzon said: 'Sign the agreement with the Royal Dutch and you shall have Syria.' M. Millerand accepted. Immediately, Feisul was left to himself. Thus the triumphal entry of General Gouraud into Damascus was paid for by the abandonment of all our oil resources." (p. 62.) The sins of the French oil refiners, who refine no oil, have already been punished, for although they formed a cartel and asked their Government for protection from foreign competition, today both the British and the American trusts have distributing companies in France, and rumour has it that taxis are running about Paris on Bolshevik petrol.

The translator has succeeded in retaining M. Delaisi's graphic style, and it is to be hoped that the next edition will contain an additional chapter to keep the work up to date, for the struggle still continues.

Fear of Communism is not wholly responsible for the extraordinary treatment of Russia.

In 1918 the chairman of four oil companies talked about "the creation of a second India or a second Egypt" in Russia.

British troops seized Baku, and the Republic of Azerbeidjan was set up, and pictures of oil derricks appeared on its stamps.

Mr. Leslie Urquhart produced his "good friend" Admiral Koltchak, and supplied him with a Minister of Finance.

Denikin captured the Grosny oilfields.

Denikin was awarded the K.C.B.

Oil was known to exist in the province of Archangel; a British army went there, and the last N.W. Russian Government was popularly known as the "Oil Government," because the Russian oil king, Mr. Lianosov, was president, and supplied half the ministers from his staff.

Book Reviews

An international oil committee objected to the partition of Galicia, and so the Ruthenes were handed over to the Poles.

When the Bolsheviks restored the "Russian zone" to the Persian people, it was seized by British troops, and North Persian Oils, Ltd. (capital £3,000,000), was registered in 1920, but now the Persian Government maintains that the concession was obtained by coercion, and has offered the same land to the Standard.

The oil of Persia and Mesopotamia had already led to an exchange of notes between the British and American Foreign Secretaries, but according to an oil journal, "a settlement of all outstanding oil questions is imminent" at the Washington Conference.

It is impossible to understand international politics to-day without a knowledge of the scramble for oil, and this book should be read by everyone who takes a serious interest in politics.

G. H. M.

ANATOLE FRANCE AND OTHERS.

Propos d'Anatole France. Paul Gsell. Paris, Bernard Grasset.

Les Revoltés de la Mer Noire. Librairie du Travail, 96, Quai Jemmappes, Paris.

La Crise du Socialisme Mondial. Paul Louis. Paris, Alcan.

M PAUL GSELL is a very faithful Boswell, and in his collection of the causeries of the greatest pagan of our times he clothes himself admirably in the discreet, knee-worn livery of the intellectual servitor, brushing crumbs from his master's generously-spread table. Probably not one of his own written works does Anatole France full justice, brings him brilliantly down from his cloud-capped, benevolent Olympus, brushes aside the veil of great literature that conceals him, and betrays the very human, caustic-tongued, good-humoured old man in his red dressing-gown, smoking-cap and slippers, retailing scandalous gossip of the Academy to his morning circle of visitors, cherishing his books and sculpture, a little admiring and a little fearful of his harsh-visaged provincial maid, savouring life delicately like liqueur in an old glass, weary in his old age, but labouring mightily with his young, tireless mind. This book of his Sayings, collected diligently during the many years before the war, when the mornings at the beautiful little house at the Villa Said were the delight of intellectual Europe, ushers us into the veritable presence of the great pagan.

Young men and old men, philosophers, artists, generals, fellow-Academicians, Nihilists, Tolstoyans, and even clericals and reactionaries, met within Anatole France's hospitable, bibelot-crowded walls. Workmen came to beseech the attendance of "Comrade Anatole" at a Socialist meeting. There was, one day, a wild young Russian—

The Labour Monthly

greasy fur cap, pale, emaciated face, wild eyes, and—produced from his pocket—the shiny steel sections of a bomb. To the young man the old sage counselled: “Believe me, my friend, while there are other methods available you should use them. Remember that the Justice of assassination, even when wielded by a nation endeavouring to free itself, is always a sorrowful Justice. It is not good to offer blood to the gods athirst.” A phrase that recalls his own great novel on the French Revolution.

There are strange ironies in this book. One day Gustave Hervé brought to the Villa Said a man of thirty or thirty-five, pale, with working features. Hervé presented him with a flourish (you will remember that flourish of Hervé’s) as “Boris Savinkoff—assassin!”

“Delighted,” said France, offering his hand. “And whom has he assassinated?”

“The Minister Plehve and the Grand Duke Sergius,” replied Hervé.

“Big game!” commented the philosopher, drily.

And to-day both Boris Savinkoff and Gustave Hervé are agents of the Counter-Revolution, calling on God and the Allied Governments to overthrow the red-handed Russians in Moscow.

There is a shrewd picture of Jaurés, whom France described (in grim prophecy, as it turned out) as being like a man who steps into the cleared space between the soldiers and a mob of insurgents, holding up his hands entreating peace, and in mortal danger of death, whether from the bullets of the bourgeoisie or the paving-stones of the Insurrection. And, speaking of the controversy between Jaurés and Jules Guesde, then the two leaders of French Socialism, he said once: “The profound differences in our party are often interpreted as signs of weakness. But they are, I think, rather signs of vitality. No dissensions have arisen among the revolutionists of to-day as bitter as those between the early Christians, between Peter and Paul, for example. In the first century there were certainly many pagans nearer in thought to Paul than to Peter. Nevertheless, Christianity did not fail; it even had a fair success.”

And there is a charming picture of the Communist, Charles Rappoport, squat and formidably bearded, with his thick, atrocious accent. Rappoport came often to France’s country house near Tours, and, stuffing his pockets with precious sixteenth century volumes from the library, spent all day lying face downwards under the trees in the meadow. After his departure, his host sent a search-party to recover the books missing from his shelves; some were found in the long grass of the meadow, and one, a priceless edition of Ronsard, was discovered incongruously astride the clothes-line among the household linen!

It is time that the story of the Black Sea mutiny, a brilliant and

Book Reviews

gallant exploit that will live with the undying Commune in the revolutionary history of Europe, should be told in a popular form. A failure that has not been atoned by many newspaper articles since June, 1919, has now been partially remedied—in France, at any rate—by the publication of a 36-page pamphlet written by Maurice Paz, who defended Marty before the court-martial that sentenced him to 20 years' imprisonment and twenty of his companions to terms hardly less severe.

It is an epic in its way, emerging precariously from the differing narratives of many actors and eye-witnesses. The details of the rebellion are few but eloquent. The murder, in March, 1919, of 200 Russian women and children in Kherson by the guns of the French fleet; the bombardment of Sevastopol in April, under the thin pretext of test-firing; and then, in the week that followed, the machine-gun massacre of a crowd in the streets of the city, with its toll of 14 French sailors killed among the innocent—these were the tragic prologue to the great gesture made by the indignant Fleet. The development of the drama was confused, obscure, but sensational. Rumours of the events on shore reached one vessel in the port, and travelled quickly, gaining substance, from vessel to vessel. The Bolsheviks ashore, seeing all sailors as proletarians, and all proletarians as brothers, signalled eloquent appeals to the inheritors of the glorious tradition of the French Revolution. The sailors of the Fleet, perturbed and uneasy, were ignorant of the mission assigned to their commanders, were ignorant or doubtful of the political aims of the Russians, were half-credulous, half-sceptical of their rumoured cruelty. They were, too, permanently dissatisfied with their own condition, their wretched and scanty rations, their long absence from any home port. And finally the courage and revolutionary ardour of Marty and Badina, the engineer and quartermaster who led the revolt, and conceived the daring project of leading the mutinous Black Sea Fleet back to Toulons, prevailed. And the first great revolutionary gesture on behalf of the Russian people's Revolution was accomplished.

It is a thrilling story, told thus baldly as it is by a Communist French lawyer. Told by a poet it would be really epic—for there was high nobility, black treachery and bitter disillusionment in this mutiny of the French sailors in the Black Sea.

Paul Louis, the foreign editor of *L'Humanité*, is one of the best French exponents of the Communist theory, and, indeed, among the ablest writers on foreign affairs contributing to the French Press. In the scholarly treatise he has just published on the Crisis in World Socialism, he gives the first compact history yet written of the International Socialist movement from the death of the First International to the present day. The lamentable failure of the Second Interna-

The Labour Monthly

tional to prevent the war, and, once the first passions of the world conflict were spent, to provoke an early peace; the brilliant debut of the Third International, church militant of the world revolution; and the consequent break-up of the old Socialist parties everywhere into the sharply-cleaved camps of Reformists and Revolutionaries; the working of the Russian ferment in Western minds; the ruptures, schisms, controversies and quarrels that have shaken the political and industrial organisations of the proletariat since 1919—all are carefully recorded and brilliantly analysed in this calculatedly cold, if not unpartisan work.

G. S.

PUBLICATIONS RECEIVED.

- A Revision of the Treaty.* By J. M. Keynes. Macmillan and Co. 7s. 6d.
Is Trade Unionism Sound? By J. H. Bunting. Forewords by Sir Peter Rylands and J. R. Clynes. Benn Bros. 2s. 6d.
Ethics. By Arthur Lynch. Cassell. 7s. 6d.
Why this Unemployment? By Tom Bell. 1d. *A Straight Talk to the Miners.* 1d. *Communism and I.L.P.ism.* 2d. Communist Party.
A Half-Way House. By Douglas Deuchar. Daniel. 6d.
Foundations of Imperialist Policy. By Michel Pavlovitch. Labour Publishing Co. 3s. 6d.
Men and Steel. By Mary Heaton Vorse. Labour Publishing Co. 3s. 6d.
Our Next Step—Education. Amalgamated Union of Building Trade Workers.

ERRATUM.

The speech of Leonid Krassin, published in the January number of the LABOUR MONTHLY, was incorrectly stated to have been delivered in Berlin. It was delivered in Russia.

THE LABOUR MONTHLY

A Magazine of International Labour

VOLUME 2 MARCH, 1922 NUMBER 3

Editor : R. PALME DUTT.

CONTENTS

Notes of the Month	- - -	Page 203
Can Capital Govern ?—The Trade Depression Myth—Much Capital, Little Production— Anarchy of Investment—Anarchy of Pro- duction—Raising the Tariff Walls—Inter- national Anarchy—The Mind of the Anarchist—Labour as the Scapegoat—The United Front Against Anarchy		
A Word to the Engineers		
	By G. D. H. COLE	„ 213
The Genoa Conference		
	By G. TCHITCHERIN	„ 223
Britain and India		
	By B. G. HORNIMAN	„ 232
Trades Councils : A Plea		
	By TOM QUELCH	„ 238
Present-Day Japan		
	By SEN KATAYAMA	„ 251
Mr. Austen Chamberlain on the Origin of the War	- - -	„ 256
Cartoons of the Month	- - -	„ 259-262
The World of Labour	- - -	„ 263
International — Denmark — Egypt — France— Germany—Italy—Switzerland—The United States		
Book Reviews	- - -	„ 276
The Pathology of Imperialism	M. H. D.	
The Diagnosis of Imperialism	J. T. W. N.	
How American Capital Works	W. H. H.	

The Labour Publishing Company Ltd.

6 Tavistock Square

London

W.C.

The Labour Monthly

DIARY OF

BOURGEOISIE

February, 1922.

1. WASHINGTON Naval Treaty adopted.
BRITAIN Lord Birkenhead declares the Labour Party "the gravest—perhaps the only grave political menace to the Coalition."
2. ITALY Bonomi Cabinet resigns.
3. UNITED STATES Foreign Loans Refunding Bill passed by both Houses.
4. INDIA Gandhi offers Viceroy one month's postponement of civil disobedience conditional on release of prisoners, suspension of coercion and opening of negotiations.
" Bareilly riots: 17 police killed at Chauri Chaura.
WASHINGTON Nine Power Treaty on the Open Door in China adopted.
CHINA Peking Government borrows at 40 per cent. to tide over difficulties.
6. GENOA Poincaré's Note to British Government on Genoa, suggesting postponement.
WASHINGTON Close of Washington Conference.
7. BRITAIN Parliament opens: Statement on foreign policy with regard to Genoa and the Anglo-French-Belgian Pact.
INDIA Viceroy refuses to negotiate with Gandhi. Total arrests since inauguration of Reforms stated to be 8,000.
10. BRITAIN Federation of British Industries Report calls for lower wages with no guarantee of pre-war standard, more output and longer hours.
12. INDIA Gandhi postpones civil disobedience indefinitely.
13. IRELAND British troops not to be withdrawn in view of raids on Ulster border.
21. IRELAND Sinn Fein Convention opens: agreement to postpone general election for three months.
24. BRITAIN Geddes Final Report outlines £86,844,125 reductions in national expenditure of £1,146,123,000.
25. GENOA Lloyd George and Poincaré at Boulogne fix April 10 for Genoa Conference.
28. EGYPT British Government proposals published for "independence" subject to the protection of British interests.

The Labour Monthly

THE MONTH

LABOUR

February, 1922.

1. GERMANY Railway Strike begins midnight (p. 271).
2. BRITAIN National Joint Council of Labour appoints Committee of Inquiry into Production "to consider what causes are impeding maximum production in industries and services from the standpoint of the interests of the community."
- CZECHO- Central Coal Miners' Union decides for national
- SLOVAKIA strike: 130,000 men involved.
- CHINA Seamen's Union proclaimed an unlawful society.
4. INTERNATIONAL Labour and Socialist Conference at Paris (p. 263).
7. SOUTH AFRICA Rand Conference of Smuts and strikers' representatives fails.
8. GERMANY Railway strike ends.
10. INDIA First Women's Trade Union in the cotton mills.
12. FRANCE C.G.T. Conference decides on split (p. 269).
- CZECHO- Miners' strike ends.
- SLOVAKIA
14. DENMARK General lock-out for 20 per cent. wage reduction (p. 266).
- SOUTH AFRICA W. H. Andrews, founder of the International Socialist League, arrested for incitement to violence.
15. FRANCE Confédération Générale du Travail Unitaire declared a national body (p. 269).
17. INTERNATIONAL Amsterdam Trade Union Federation declares readiness to negotiate with Red Trade Union International.
18. ITALY Labour Conference at Rome of C.G.L., Syndicalist Union, etc., establishes Labour Alliance.
- BRITAIN Labour gain at Clayton by-election: 8,000 turnover.
21. INTERNATIONAL Communist International Executive special meeting on the United Front.
- BRITAIN Labour gain at North Camberwell by-election: 5,000 turnover.
- IRELAND Labour Party and Trade Union Congress: decision to take part in the elections by 104 to 49 votes.
25. INTERNATIONAL West European Socialist Conference at Frankfort (p. 263).

UNEMPLOYED



By the grace of the Government—Notenkraker

NOTES of the MONTH

*Can Capital Govern?—The Trade Depression Myth—Much
Capital, Little Production—Anarchy of Investment—
Anarchy of Production—Raising the Tariff Walls
—International Anarchy—The Mind of the
Anarchist—Labour as the Scape-
goat—The United Front
Against Anarchy*

CAN Capital govern? The question is one that forces itself on any impartial observer of our present economic situation. It is a typical commentary on the habits of current journalism and politics that it should be at present absorbed in parlour-game speculations as to whether Labour can govern. For the only object of such speculation is to divert attention. The question whether Labour can govern is a question of the future which each will answer according to his whim or prejudice. But the question whether Capital can govern is a question of the present, which we must answer here and now if we are not to drift for ever in increasing chaos. To ask whether Labour can govern is to invite the natural scepticism of man; it is a question intended by its promoters to produce an idle verdict in favour of the status quo. But supposing the status quo no longer exists. Supposing that that vast system of running human affairs known as Capitalism has not been just temporarily dislocated by the war, but is no longer capable of tackling the problem of production itself. Supposing there is justification for that disturbing doubt which is creeping over the minds of more and more observers, as they perceive the post-war chaos steadily extending its ruinous empire instead of abating, the doubt whether the continued governance of Capital is compatible with the continuance of human society. Then the whole face of the question changes. It is no longer a question whether we like the alternative, but how the alternative can be got to work most effectively. And that is the present position of Capital and Labour.

The Labour Monthly

TO grasp the full character and extent of the present failure of capitalist society is the first beginning of effective political discussion. It is idle to talk of possible alleviations or wait with folded hands for a "recovery" that never comes, if the real cause of the breakdown lies in the system which it is attempted to reconstruct. Nine-tenths of the present talk about a "trade depression," "a slump," "economic unsettlement," or "inevitable after-war disturbances," is a fog of verbiage which hides the facts. It is the invocation of Mumbo Jumbo. There is no breakdown in the essential forces of production. The machinery is there; but it is left idle. The raw materials and food supplies are there; but they are burnt or left to rot. The workers are there; but they are left to tramp in unemployed processions. Only one thing stands in the way, and that is the capitalist monopoly, which refuses to let the wheels of production go round: which refuses to produce the goods, because it cannot sell them at a profit, and cannot sell them at a profit because the distribution of wealth has become so top-heavy that the people who need the goods cannot buy them. These are the simple concrete facts which we need to remember when the wise and learned talk of a "depression of trade," as if it were some kind of Demon or Djinn that has settled down upon us, and for whose departure we can only wait with sorrowful patience. The economic fatalism sometimes attributed to Socialists is nothing to the economic fatalism of the commercial and political pundits, where the sufferings of the poor are concerned. Compared with them the Socialist faith at its most rigid is a liberating reassertion of human energy. The enemy of production is not a vague impersonal abstraction, as unassailable as the weather. It is a visible personal force that can be fought against and overthrown. The obstacle to production to-day is the system of capitalist ownership. Once upon a time Capitalism stimulated production: to-day it is a hindrance to it. Let that fact be realised, and the whole current defence of Capitalism as a system of production becomes as obsolete as the old-time defence of Capitalism as competition, when it has long since passed into trusts and combines, or as private property, when nine-tenths of the nation no longer has any.

Notes of the Month

A BRIEF review of the past economic year will substantiate this statement. A short time ago in these Notes we considered the significance of 1921 as a study in the struggle of Capital and of Labour. This time we may review the same past year in a yet simpler guise—as a study in the method of production. How has Capital administered its resources during the year, with what outlook, and with what results? Now the first point to notice in this connection is that there has been apparently no lack of capital in this country. New issues for capital investment have been over-subscribed, and heavily over-subscribed. The Anglo-Persian Oil Company recently asked for four millions; sixty-three millions clamoured for acceptance. Truly, if capital were the horn of plenty, we ought to be rolling in abundance. Yet this superfluity of capital has gone alongside of an extraordinary failure of production. In the last quarter of 1921 the tonnage of shipbuilding commenced was only 10 per cent. of that in the same quarter a year ago. In the third week of January this year, only 28 per cent. of the berths in the United Kingdom were at work. Of the 56 million spindles in this country, the equivalent of 27½ millions were stopped for the whole six months ending July 31, 1921. Against a production of 10¼ million tons of pig-iron in 1913, only 2½ millions were produced in 1921. Where 300 blast furnaces were in operation in October, 1920, only 82 were in operation in October, 1921. If this gigantic cessation of production had taken place under a Socialist administration, it would have been considered a damning indictment. Yet here there has been no blockade, no civil war, no destruction of machinery, no impairment of the forces of production. There has been no lack of machinery, of capital, of men. British capital has been victorious at home and abroad and able to impose the terms of peace it wished. And this is the pass to which it has brought us. The figures given above are the simple facts of capitalist administration during the year 1921, the facts of capitalist administration in the world's greatest workshop during the time of the world's greatest need. The situation may be summed up in a phrase which might have puzzled old-fashioned economists: Much Capital, Little Production.

The Labour Monthly

BUT a more detailed examination of the employment of Capital during the period and the direction of production would yield still more startling results. It is a familiar axiom that the investment of Capital under the beneficent incentive of profit naturally flows in the direction where it is most needed. It is interesting to compare this principle with what happened in 1921. The total capital applications for the year 1921 amounted to about two hundred and twenty millions. In addition to this, about one hundred and eighty-five millions must be included for British Government borrowings (Treasury Bonds and National War Savings Certificates, taking the excess of sales over encashment). This gives a total capital investment of four hundred and five millions. The sum represents a heavy drop from 1920; but yet, judiciously applied to the most urgent needs, it might be made to go a long way. What happened? Of this sum *only about one-ninth was devoted to direct industrial production*; 70 per cent. went to Government securities; 5.6 per cent. went to Corporation stocks; 10 per cent. went to "commercial" issues. On the other hand, to iron, coal, steel and engineering went 1.9 per cent. To shipping went 2 per cent. This at a time when the urgent need for concentration on the barest necessary production is inculcated from every platform. It would be difficult to imagine a more senseless application of the precious productive reserves of the community. Here then we have the practical working of the system of unregulated investment according to the incentive of profit, so belauded by the economists. A Socialist administrator of a workers' community, even if he were drunk, could hardly hope to equal its sublime and detailed unreason.

THE same story will be found if the direction of production is examined. Houses are generally believed to be desperately needed in this country. Hospitals go begging in the streets. But the money, which tumbles over itself in its thirst for Anglo-Persian oil, is not available for these things. The workers who need them are too poor to furnish a sufficiently high rate of profit: they have no "effective demand" (until such time as they may

Notes of the Month

take it into their heads to show the startled economists a new form of "effective demand"). Again, to take an equally familiar example, Russia stands in urgent need of agricultural machinery; its export to Russia would have brought back a tenfold return in grain production. But in place of the 73,000 tons of agricultural machinery exported in 1913, only 50,000 tons were exported in 1921. On the other hand, where there has been stimulated production, it has been in just those directions which are making for increased effective competition to this country. Textile machinery exports reached a figure nearly equal to 1913, and the working out of this can be seen in the idle spindles of this country. It is significant to note that 60,276 tons of textile machinery went to India in 1921, as against 17,945 the year before, and in India alone of the world all its seven million spindles were working right through 1921. Thus the last feverish pulses of British capitalist production in the "slump" of 1921 went to the equipping of the new rivals that were outdistancing it.

IT is, of course, unreasonable to treat other countries as economic rivals whose development of manufacturing capacity, instead of being a gain to the whole world, is simply a loss to the previous manufacturing countries; but under capitalist production this is the situation, and the war has intensified it. The war has produced a frantic development of customs and tariffs on the part of every country. In this country the transparent hypocrisy of the "key industry" has become a standing joke. In America a special emergency tariff was instituted in May, and the new "Fordney" protection tariff is under examination by the Senate. In the British Empire new tariffs and anti-dumping regulations have been adopted by Australia, Canada, Newfoundland, New Zealand, and South Africa. India has increased its textile duties to 11 per cent., and its duties on motor vehicles, cutlery, and silk goods to 20 per cent. Japan revised its tariff in 1920, and again in 1921. France adopted an increased "general" tariff in March. Germany doubled its principal duties in November. New tariffs and revised tariffs, all in an upward direction, are also reported in 1921 from Belgium, Bulgaria, Denmark, Esthonia, Greece, Italy.

The Labour Monthly

Jugo-Slavia, Lithuania, Portugal, Rumania, Spain, Sweden, and Switzerland. This is the sanity of international economic production under post-war Capitalism.

TO refer to the larger features of the international chaos is unnecessary. The broken balance of the exchanges (Professor Cassel has recently declared that the old rates may now be treated as of only "historic" interest), the mad dance of the policy of reparations, blockades, and sanctions and armies of occupation, the inextricable entanglement of national and international debts, the irreconcilable battle of taxation and war-burdened expenditure, the twin demons of inflation and deflation, all these are only too painfully familiar to the capitalist world though the capitalist world is at its wits' end how to meet them. But it has rather been our intention here to concentrate on the simple and normal process of Capitalism to-day, instead of on the more obvious and sensational aspects of the international anarchy. And this for a very important reason. To dilate on the superficial aspects of the present international anarchy has become the stock-in-trade of every politician on every side, each with his little bagful of tricks and remedies to restore the world by phrases of "international co-operation" and "mutual confidence." But it is our concern to point out that this international anarchy of to-day, whose violent reactions strike across the vision of the dullest, is only the reflection of a deeper and more long-established anarchy which can be found in the simplest workings of Capitalism. It is the fine flower of a system that was slowly maturing in an age when all the economists and politicians were singing the praises of the victory of peaceful progress, and the inauguration of a new age of reform and prosperity. They did not know the evil then of the system under which they lived; nor do they know it now when they seek to remedy its results. To escape the outcome while they maintain the cause is the vain task of the capitalist politicians of to-day. Three years ago their talk was of Reconstruction and a New World. To-day they would be only too thankful if they could restore the Old. Capitalism itself is anarchy, and its outcome can only be anarchy writ large.

Notes of the Month

DOES the Capitalist know his own system? Or is the mind of the anarchist as anarchical as are his activities? In answer to this question we may take a little excursion through the record for 1921 of a standard trade publication, the *Oldham Chronicle Textile Trades Review*. Month by month we may listen to the wise of Oldham reviewing the situation and discoursing on their inmost hopes and fears. Each month they begin with buoyant hopes; each month they end with disappointment and depression. Let us begin with January. "The pessimism which was rife during the closing months of 1920 gave way to a hopeful feeling at the beginning of the New Year. . . . Advices from the U.S.A. suggested that the turning point of trade had arrived in that country." But the New Year was disappointing. "As a matter of fact depression returned in a more intensified form than ever." However, a new ground for hope was discovered. "There were hopes that the situation would brighten after the Chinese New Year." Alas! for hopes in the fickle Chinaman! In February we learn that "the Chinese New Year came and went without making the slightest difference." But the spirit of Oldham was not to be broken. "Amid all the depression, however, the undertone was not unhopeful. Mr. Waddington, M.P., expressed the view that trade would take the turn within twelve weeks." Even M.P.s., however, may be mistaken. March reports that "many jumped, as it turned out prematurely, to the conclusion that the turning point had at last really come." Nevertheless, with April they return to hopes of that elusive turning point. "Once more it was believed that the turning point of trade had arrived." But May dashed their hopes. "Trade in May went dead off." With June new hope arises. "Towards the end of the month inquiries became more plentiful, and the tone a shade more hopeful." By July a note of bitterness appears in the inevitable reference to the turning point. "Even those who had not been particularly optimistic were hoping that July would witness the turning point. At one time it looked as if their hopes would be realised." August raised new hopes, only to dash them to the ground. "Notwithstanding the fact that trade had fallen off sharply during the last few days of July, few believed that the pause would be anything but temporary.

The Labour Monthly

. . . The first half of the month, however, was exceedingly disappointing." By September a fresh ground of hope has been discovered. "It was pretty generally predicted that the Gandhi campaign would soon show signs of collapse." By October the fresh hope has become a stale mockery. "Some professed to see signs of collapse in the Gandhi movement." The old humdrum cycle of hope and disappointed returns. "At the beginning of October the majority probably believed that we could at least expect a steady development of trade. Before the end of the month, however, the market had practically relapsed into a state of idleness." In November "the depression deepened." "December passed away gloomily." However, "during the closing week of possibly the most dismal year on record certain events have happened which appear to point to at any rate a considerable revival of demand." So we leave the wiseacres of Oldham, still faint and still pursuing. It only remains to add that in January of this year we hear that, "the facts must be reluctantly faced, as they go to show that in the cotton market the position moves steadily against the seller."

IN the face of this situation, in the face of this manifest breakdown in intelligence, foresight, organisation or directive power on the part of the capitalist world, it is natural that the capitalist world should try to find a scapegoat and should try to cast Labour for the part. Like the bad workman quarrelling with his tools, the capitalist tries to make Labour pay for his own mistakes. And herein lies the whole fallacy of the attack on Labour and wages as the root of the evil, and consequently the fallacy of accepting that attack on wages as something inevitable and necessary. It is not inevitable, and it will not improve the situation, because the real fault lies elsewhere. It was not Labour that called for more production in 1919 and closed the factories in 1921. It was not Labour that called for German reparation coal in 1920 and found the export coal trade lost in 1921. It was not Labour that killed the German market and shut off the Russian market and then complains of the lack of markets. The capitalist clamours like a spoilt child for the cutting of everybody and everything except himself: he

Notes of the Month

demands the cutting of wages, of taxation, of education, of the army and the navy, of everything except his own profits and his own mismanagement. But the increase of output, the lengthening of hours, the reduction of wages will not improve the situation. This has been already revealed in the case of the coal industry. To-day the wages of the miners in district after district have fallen to 60-70 per cent. below the cost of living index figure on the 1914 basis. And what reward has their sacrifice brought them? Unemployment, victimisation, a ruined industry and the break-up of their organisation. The effects of reparation coal continue, and the last news is that the mine-owners have set up a joint inquiry with the miners to inquire into its working. To-day we see the practical fruit of Black Friday policies. The time has come for the workers to realise that the policy of concession is a vain one. To yield further to the employers' demands for reductions on the ground of "bad trade" and "tiding over the hard times" is only to pave the way for new concessions, because there is no end to this process: bad standards drive out good, and there is no end to the competition in misery in which the workers of Europe are now involved. A stand must be made sooner or later, and the sooner that stand is made the better.

A UNITED Front against Anarchy—that is the need of the hour. Whatever our sectional differences, that united front must be made. It will not be made by continuing the old squabbles against that section of the workers that remained true to the workers' cause in the fair weather days of 1919, when the orthodox leaders were basking in the sunshine of capitalist promises which have since proved not worth the paper they were written on. Let those leaders who were mistaken in 1919, who were taken in by the capitalist promises—coal commissions, industrial conferences, socialisation humbugs and the rest of it—now recognise their mistake and show that they recognise it by coming out into the open and fighting those who deceived them, if they do not wish it to be believed that they were a party to those deceptions, instead of being the victims. They profess the cause of unity: let them show their conviction of

The Labour Monthly

it in action. The cause of unity is not going to be advanced by such performances as those of the official leaders in France and Germany. In France those leaders have expelled the mass of their supporters, and when the expelled majority called for unity and a straight vote, refused unity and refused that straight vote. In Germany, when the railway employees came out on strike against intolerable wage conditions, the Trade Union Federation placed its ban upon the strike and the Social Democratic President Ebert called out the police to arrest the strikers' leaders and impound the funds of the Union. This kind of action is not going to help the struggle of the working class. It is to be hoped that the leaders in this country will not follow in their footsteps. But if they do not mean to do so, let them show their resolution in action, in real union and effective leadership in place of the present sectionalism, lethargy and confusion. It is time that a National Conference of the movement should be called, not to pass futile stereotyped resolutions on unemployment, but to prepare concerted measures of united resistance against the capitalist attack.

A WORD TO THE ENGINEERS

By G. D. H. COLE

AS I write, the Engineering and National Employers' Federation has threatened a national lock-out of the engineering industry on March 11, and Sir Allan Smith has announced that the struggle involves a question of principle vital, not to the engineering employers alone, but to all the industries of the country. According to Sir Allan Smith, it is a question of "Soviet control" *versus* "private enterprise"—a question whether the dictatorship of industry is to be in the hands of the capitalists or of the workers.

I wish it were. But, of course, it is in reality nothing of the sort. Sir Allan Smith knows full well that the engineers have said only a very faint "bo" to his goose that lays the golden eggs; but it happens for the moment to suit his convenience to hear in this faint "bo" the mighty rumbling of the voice of the revolution *en marche*. He has the workers just now at an immense disadvantage. He has asked them for concession after concession already, and they have given way. What can be more natural than that he should ask for more, and pitch his demand high enough to make sure of compelling the Trade Unions either to turn and fight at last, or to accept, beyond further question, the admission of their own impotence?

It would suit the engineering employers just now to have a national lock-out. Orders are very slack. The Amalgamated Engineering Union has paid away already over two million pounds in out-of-work benefit; one quarter of its 400,000 members are totally unemployed, and many of the rest on short time. It is a moment, from the employers' point of view, for seizing the chance of administering a salutary lesson to the workers at less than no cost to the firms in the industry. A temporary shutting-down will be good

The Labour Monthly

business, from the purely commercial standpoint; it will be better business if it carries with it the defeat of the workers' organisation.

Accordingly, not from the Labour side but from that of the employers, the issue of control is raised, and the workers are commanded, on pain of a lock-out, not merely to give in on the point immediately in dispute, but to sign away definitely and completely their right to claim any share in "control," or to interfere in any way with the management of their industry. If they can be forced to put their signatures to any such document as the employers have presented, it can always in future be flapped in their face whenever they desire to take any step for the protection of their members' interests. For, after all, every atom of Trade Union action is, in its measure, a form of interference with the management of industry. Even the mildest forms of collective bargaining were long denounced as unwarrantable interference, and slowly established only in face of this denunciation. So far as scraps of paper can be held to bind the workers' organisations, the document presented by the engineering employers is an effective barrier to the extension of Trade Union control over industry in any direction.

Yet the Executive Council of the Amalgamated Engineering Union recommended the members to agree to this preposterous document; and the members, although by ballot they rejected this advice, did so by so small a majority and on so small a total vote as to show scant indication of fighting spirit. Unemployment and under-employment furnish, of course, the explanation. There is almost nothing the leaders would not give away sooner than face a lock-out; and a large proportion of the members apparently has so little stomach for a fight under the present unfavourable conditions as to prefer the evasion of responsibility to the casting of a vote.

Clearly, if this is the real attitude of the engineers, even the present concession is not the last they will be called upon to accept. Every concession is an invitation to the em-

A Word to the Engineers

ployers to come back and ask for more; and the nature of the present dispute plainly shows that the employers' ambitions are not limited to the reduction of wages, but that they are also aiming at a total disarmament of the Trade Unions. So extreme are their present demands that even the *Times*, in a leading article, has accused them of being a little unreasonable; but their unreason of to-day is nothing to what may be expected to-morrow if they are successful.

What, then, are the real points at issue in the present dispute? In September, 1920, after long negotiations, the Employers' Federation and the A.E.U. signed an agreement providing for the regulation of overtime. It was agreed that systematic overtime should be discouraged; that overtime might be worked freely in certain contingencies, such as breakdowns; and that, in general, *necessary* overtime might be worked up to an absolute maximum of thirty hours in four weeks. It was recognised, when this agreement was signed, that it contained an ambiguity. What is *necessary* overtime? In other words, who is to say when or whether overtime is necessary or not? This point was left open in the agreement because neither party by mere negotiation could get the other to give way. That is, it was left to be settled subsequently by the play of economic forces.

The economic forces soon began to operate. The growth of unemployment and short time meant a decline in the economic power of the workers operating on orthodox Trade Union lines. But it also, from their point of view, greatly increased the necessity for effective Trade Union regulation of overtime. The workers' view was that it was unfair that, while many men were totally out of work, others should be working long hours for overtime payment. If extra work was needed, extra men, they held, should be taken on from the ranks of the unemployed. The employers, on the other hand, maintained that it was solely within their discretion to determine whether overtime was necessary or not. To this the Unions would not agree. Thereupon, the employers launched at the A.E.U. an ultimatum in which they claimed

The Labour Monthly

not merely complete discretion as to the working of overtime, but a wide and indefinite immunity from all forms of interference by the Unions with the management of industry. The vital clause in their ultimatum is worded as follows :—

“The Trade Union shall not interfere with the right of the employers to exercise managerial functions in their establishments, and the Federation shall not interfere with the proper functions of the Trade Union.”

What the “proper functions of the Trade Union” may be is not defined; presumably the employers claim, as in the case of “necessary overtime,” the sole discretion in determining them.

This was the preposterous ultimatum which the A.E.U. Executive, in its panic fear of being forced into a general dispute under unfavourable conditions, advised the members to accept, and which the members half-heartedly rejected on a small ballot vote.

It is, of course, possible to argue that it does not much matter to what preposterous scraps of paper Trade Union leaders may put their hands, especially if they are couched in such vague language as this ultimatum, as it matters what actually happens in the workshops. But there is, behind the vague generalisations of the ultimatum, both the very real and immediate overtime issue, and the practical question how far the signing of such a document will hamper the Union in any future demands which, in the opinion of the employers, may raise the issue of “control.” First, as to overtime. Surely, in the present emergency, this question is vital. Without a complete surrender of solidarity, and a lamentable widening of the breach between employed and unemployed workers, the A.E.U. cannot forgo its claim to a voice in the distribution of work among its members. The restriction of overtime is a recognised Trade Union method of securing a fairer distribution of work than the employer, left to himself, would allow. To give it up would rightly embroil the Union, both with its unemployed members and with every unemployed organisation in the country. And, if it is urged

A Word to the Engineers

that the position of the Union is weak because of unemployment, it must be answered that it is in time of unemployment that full Trade Union control of overtime is most essential.

Secondly, as to the wider question of control. It is significant that the quarrel on this point should have been picked, not by the workers, but by the employers. This serves very clearly to indicate the completeness with which the offensive in industry has passed from the workers' into the employers' hands. Until quite recently, Trade Unionists in the engineering industry were talking—alas! it was no more—about the assumption of workers' control. Now, even the offensive of words is over, and the employers are seeking to erect, by means of an enforced agreement, a pledge against any assault on control in the future. In my view, and, I think, in the view of most workers, such an enforced pledge, even if it were given, could have no binding character; but, all the same, the giving of it would be a very serious matter. It would be used by the reactionaries within the Union as a reason against reopening the control question if favourable conditions arose, and it would be used by the employers, not merely against any movement for control, but for the withdrawal of such valuable elements of recognition as are still left to shop stewards and local committees, and as a means of invoking official Trade Union assistance against any attempt by these bodies to regain their lost powers or to secure new ones.

There has been a tendency of late to conclude, because even successful guerrilla warfare in the workshops is largely impracticable in face of present industrial conditions, that the shop stewards' movement has definitely run its course as a power in industry, and that its sole remaining function is one of revolutionary preparation for a coming general cataclysm in society. I am unable to accept this view, both because I see no signs of the imminence of this cataclysm, and, far more, because I believe that there is still urgent work for the rank and file movement to do in direct relation to workshop control, and that this work is itself the best and

The Labour Monthly

most effective form of revolutionary preparation. It is foolish, because for the moment the employer is top dog in the workshops, to assume that the workshop movement must either go out of business or become purely a fraction of the wider propagandist movement, aiming at working-class dictatorship. Certainly, the workshop strategy of war time is unsuited to the conditions of to-day, and the opportunities of the war years are not likely to reproduce themselves in the same forms. But the very vitality of such a question as this of overtime indicates that, in addition to its wider tasks, the shop stewards' organisation has important, limited and immediate work to do, and any change either for the better or for the worse in the trade position will thrust new tasks upon it. Not the least of its tasks is to work upon the Trade Union organisations, not merely in order to secure the adoption of a more militant objective, but also to reform their structure and government, and, last but not least, to frame for them a policy of control in harmony with the new militant objective.

That all this is, under present conditions, far from easy may be readily admitted. But the very difficulty of it is one of the reasons why the framing of an industrial policy tends to be discarded in favour of a more generalised revolutionary propaganda. There is a too great facility nowadays in holding that all progress towards Trade Union control in industry must be postponed to a date, not merely "after the revolution," but also after the subsequent period of stern centralised proletarian dictatorship. This attitude saves thinking. It exonerates from the responsibility of each section of the organised workers to frame, in relation to its own sectional situation, and as that situation changes, sectional programmes and policies complementary to the general programme of the working class. It ministers to an attitude in which the class-conscious worker is apt to say that it does not much matter what concessions are made in his particular industry, because the working-class struggle is being waged on a broader basis, and over the wider field of society as a whole.

But it does matter. It would matter, for example, if the

A Word to the Engineers

engineers, in preference to fighting for a right admitted to be vital to their future success, were to sign away, subject even to any number of mental reservations, their claim to interfere in the management of industry. Either they mean to interfere in management by every means in their power; or they mean nothing at all, and proclaim their definite withdrawal from the fighting ranks of the workers' army. The challenge of Labour to Capitalism is precisely a challenge to the right of the property owners to the management of industry, which carries with it the management and control of the workers engaged in industry. To sign away the right to interfere in management is to sign away everything that gives working-class industrial action an economic meaning.

But, after all, it will be asked, has the Trade Union claim to the control of industry any practical meaning in face of the present economic situation? That it has is surely made plain enough by the immediate controversy about overtime, which is the direct cause of the present dispute. Moreover, Trade Unionists cannot afford, on the basis of the theory of "increasing misery," to place all their reliance on such a worsening of the capitalist position as will by and by make revolution inevitable. Even if Capitalism is in its decline, it may rally more than once yet before the death-bed scene is finally enacted, and its rallying ought to be an immediate signal for aggressive industrial demands, among which the claim for control will surely occupy a prominent place. If the collapse is coming, it is all the more important for the workers to place themselves in a favourable situation for the assumption of power in such a form as to enable them to carry on production, with the minimum of interruption, under their own control. Even if it is held that a period of centralised proletarian dictatorship will precede the stable establishment of self-government in the various industries, the chances of establishing such a dictatorship, or of consolidating the workers' power in any form, will surely depend on the capacity of the Trade Unions and workshop organisations, during the immediate period of transition, to undertake the actual

The Labour Monthly

control and maintenance of the productive machine. Central workers' control over the ramifications of industry cannot, in any case, be established in a day or a month; and meantime at least responsibility to make or mar will rest with the workers in the shops and their industrial organisations.

These reflections are prompted largely by a reading of the pamphlet *Consolidation and Control*, recently issued by the Engineering and Shipbuilding Section of the Workers' Committee movement. I am fearful lest the perception that the change from Capitalism to workers' control involves a severer struggle and more fundamental changes than had become clear in the earlier stages of the movement, when the conditions were still delusively favourable, may result, unconsciously no doubt, in an undervaluation of the day-to-day fortunes of the ordinary industrial struggle. It is as dangerous to base a policy solely on the conditions of the present depression as on the abnormal opportunities of the war period and the years immediately following it. Action must, of course, be modified in the light of changing conditions; but we have now the materials on which to base a policy taking account both of depression and of inflation in trade, both of abnormal unemployment and of actual labour shortage.

Such a policy, it seems to me, must in nowise leave out of account the prospect of considerable "pre-revolutionary" gains, or of important encroachments on the capitalist control of industry in advance of the actual overthrow of the capitalist system. Certainly, as long as Capitalism maintains its ultimate power in society, these advances can only be limited and, in a sense, negative; and certainly no mere accumulation of them can carry with it the change from Capitalism to workers' control. They are not the capture of the citadel of Capitalism, but the occupation of outposts in its territory, valuable to some extent in themselves, but more as affording both a means of hampering the operations of the enemy, and a favourable base for more decisive operations. It is fashionable, nowadays, to dismiss such gains as both illusory and

A Word to the Engineers

unattainable. Unattainable, no doubt, they mostly are, at this present moment of depression and retreat; but that is not to say that the chance of making them is gone for ever. Illusory, I see no reason for deeming them, any more than the positive gains which Trade Unionism has secured since the early days of the struggle, for the right to combine can be dismissed as valueless for the workers' struggle.

That is why the present dispute in the engineering industry seems to me important in a quite exceptional degree. Before this article appears, it may have been settled either for or against the workers, or a great lock-out may be in progress, involving, very likely, the shipbuilders as well as the engineers, and probably raising, not only the question of "interference with the management," but also the whole question of wages and conditions of employment in the industries affected. Certainly, if a lock-out comes, the employers will aim at making the defeat of the workers as conclusive as the miners' defeat of last summer. Employers are not in the habit of making the too frequent Trade Union mistake of three bites at a cherry. As long as they can get concession after concession without a struggle, they will doubtless be content with piecemeal demands; but, if once they enter upon a conflict, they will do all they can to make their victory complete and decisive. If the workers lose, they will have not merely to sign away their claim to interfere in management, but also to surrender such of the Trade Union gains of the past ten years as they still hold after the concessions of the past 12 months.

Whether the struggle comes now, or is again averted by concession or compromise, the moral for Trade Unionists is the same. The employers' ultimatum, as the *Times* itself has pointed out, is based in reality not so much on what the Unions have actually done as on the fear of what they may yet attempt to do. Trade Union regulation of overtime is, in the employers' opinion, the thin end of the wedge of working-class control in industry. To us, it may appear but the very thin edge of a very long and gently tapering wedge; but

The Labour Monthly

there it is—essentially the expression, at one point, of the claim that industry must be regulated in some sort of accordance with the interest of the general body of workers engaged in it, and that it is the task of the workers to see that it shall be so regulated. To repudiate that claim, and to sign away that right, would be to accept the reduction of the Trade Union to the status of a benefit society, relieving Capitalism of its responsibilities for keeping the workers quiet. That is what the employers are out to secure. They want to use their present economic advantage for the purpose, not only of beating down the worker's standard and conditions of life, but also of disarming his organisation and rendering it impotent for the future, when the balance of economic advantage may have shifted again.

Revolutionary Trade Unionism and ordinary Trade Union action are not opposites. The new Trade Unionism does not supersede the old, or do away with the need for many of the old methods and safeguards. It breathes a new spirit into the old, and gives it a new objective and a new attitude. It builds on the old; and, if the old and its achievements are swept away, the new Unionism, too, loses its hold and its means of success. It is essential to maintain the rights, including the right to regulate overtime, which are already being exercised: it is essential not to surrender the right to make further encroachments, as opportunity may offer, in the controlling rights of Capitalism. The employers realise the value of getting the Trade Unions to sign away the right to advance farther into the field of capitalist control. May their ultimatum, by the time this article appears, have made the value of the right to encroach more apparent to the workers than the paucity of the ballot vote seems to indicate that it was. And, if the struggle comes, may the workers in other industries realise that the issue is nothing less than the engineers' right to challenge the autocracy of Capitalism.

THE GENOA CONFERENCE

By G. TCHITCHERIN

(A speech delivered on January 27, 1922, to the extraordinary session of the All-Russian Central Executive Committee summoned to consider the note of the Allied Powers inviting the participation of Russia in the Genoa Conference.)

DURING the course of discussions on foreign policy the All-Russian Central Executive Committee has repeatedly had occasion to refer to the special rôle played by England.

When I put before you for ratification our first peace treaty, the treaty with Esthonia, I referred then to the sharp divergence of interests between England and France both in relation to the Baltic States and with respect to Soviet Russia. On the banks of the Thames, I said, flourishes the finest flower of the art of government. There you will find concentrated all the acumen, all the political sagacity of the capitalist world. The governmental circles of England know well how to look ahead and possess a fine flair for the appearance of new historical forces. The English governing tradition consists in the observance of the succession of historical events and in compromising with new historical phenomena. To enter into agreement with new historical forces in order to dominate them—therein consists the triumph of the traditional English art of government.

At the present time the representative of this English tradition is Lloyd George, with his pliability, his sensitiveness to all surrounding social and political forces, and his skill in compromise. As the representative of influential business circles, he has to overcome in England itself the very powerful opposition on the part of the narrow chauvinist elements, of the private sectional interests with their elemental selfishness;

The Labour Monthly

he has to conquer the opposition of all the militarist elements in the military and court spheres. This opposition explains why it is that his policy of compromise with regard to Soviet Russia has progressed so slowly and has been subject to so many interruptions. German Imperialism had hardly fallen, the Entente had hardly succeeded in beginning open warfare against us, before Lloyd George, in December, 1918, when Litvinoff, from Stockholm, tried to establish negotiations with the Allied Powers, began to speak of the desirability of negotiations with us, calling forth the sharp rebuke and opposition of Clemenceau and the English chauvinists. It was Lloyd George who was responsible for our invitation to Prinkipo.

This policy of Lloyd George had, temporarily, to give way to the military plans of the extreme chauvinist circles represented by Churchill. Their object was to establish on the ruins of Soviet Russia a naked dictatorship of the Entente, relying on the big banks, by means of which conquered Russia would be converted into a colonial country. But no sooner was the failure of Denikin apparent than Lloyd George, at the autumn banquet of the Lord Mayor of London in 1919, delivered an historic speech on the necessity for coming to terms with the Soviet Government. He argued in favour of an enfeebled Russia as a desirability for England, but he also pointed out that the Soviet power had sufficiently demonstrated its invincibility. In January, 1920, Lloyd George took the first steps in initiating trade relations with Russia, first through the co-operative organisations, but soon after with the Soviet Government itself, through its Trade Delegation.

The arrival of Krassin in London marked the beginning of a new period in our relations with England and in our international relations in general. Lloyd George's motto: "peace and trade"—once the motto of the great majority of business interests in England and even of the Labour organisations—was also our motto. By July agreement had been reached as to the resumption of *de facto* relations and the

The Genoa Conference

conclusion of a trade agreement. But once more the military and chauvinist circles in England succeeded in delaying its accomplishment, by taking advantage of the Polish war, and not until March 16, 1921, was our agreement with England actually signed. We always regarded this as only a preliminary step. We have always pressed for a complete peace and the signing of a definite treaty settling all questions in dispute.

A new factor which hastened the further progress of relationships occurred on our being overtaken by the unprecedented misfortune of famine. While movements arose in all countries of a purely humanitarian character, the governmental circles of these countries regarded the famine from their own covetous point of view. The traitorous White-Guard Press called for an attack upon the Soviet power. Lloyd George, in his speech in Parliament on August 16, designated as "a diabolical plan" the attempt to utilise the famine for the purpose of compelling Russia to recognise her debts, but he went on to add that without such recognition business men would not place the necessary confidence in the Soviet government. That the famine was a favourable opportunity for the business interests to strengthen their economic hold on Russia was one of the conceptions held by the leading capitalist groups, inducing them to accelerate their policy of economic approach to us. Lloyd George exploited this for the benefit of his own policy of compromise. The constant burden of his arguments was that trade with the Bolsheviks was the best means to render them innocuous and to diminish the dangers that they represent.

Lloyd George's prognosis and our prognosis of historical development are in diametrical opposition, but our practical policy coincides with the endeavour to establish completely peaceful relationships, the development of economic connections and reciprocal economic co-operation. This co-operation, again, we of course understand in a different sense, and in this sphere we have still a struggle before us, but, nevertheless, it is our desire to overcome all obstacles preventing

The Labour Monthly

co-operation. The demand for the recognition by us of the debts was made also by the Brussels Conference, summoned by the Great Powers as a preliminary to the setting up of an international conference in aid of the Russian famine victims. We replied to this in our note of October 28, in which we agreed in principle to the recognition of the pre-war debts on condition that an international conference should be called to review the claims of both sides, for a final adjustment of differences, and for the establishment of complete peace between Russia and other Powers, with a full guarantee for us that all the attempts at intervention still proceeding and the continual attacks on the Soviet frontiers should finally and unconditionally cease.

In the course of the last few months very sharp fluctuations have taken place in the policy of the Allies with regard to us. The attempt to take advantage of the famine for an economic penetration of Russia was again changed to an attempt to take advantage of it for the purpose of further attacks upon us. But the workers' and peasants' power has once again in the furnace of experience proved its durability. Like a Nasmyth hammer, it is equal both to the heaviest and to the lightest tasks. The glorious Red Army, having victoriously repulsed all attempts on the part of the world counter-revolution to throttle the Soviet power, continues to stand guard over the independence of Russia and of the Revolution. When the attempt to adjust the world's relationships without us at the Washington Conference had clearly proved its futility, the English Press pointed out that there were three fundamental reasons for attempting to arrive at an agreement with Soviet Russia, viz., (1) the economic importance of Russia, without whom it is impossible to regulate the world's economy; (2) the military strength of Russia, without whom it is impossible to establish a general peace; and (3) the political influence of the Soviet Republic in the East, a factor of world significance.

The resolution to invite us to a general conference, adopted

The Genoa Conference

by the Supreme Council at Cannes, is explicable on all these grounds, and also by reason of the whole contemporary international position. It represents a triumph of the English political tradition at its highest, and is the latest expression of the policy of Lloyd George and of the far-sighted political sections and business circles that he represents. At last the policy of English business circles has attained its goal, viz., the task of peaceful penetration of Russia. We desire economic co-operation and they also desire it, but we shall resist any attempt to make this economic co-operation take the form of economic domination of Russia.

Both the English and the German Press has long been occupied with news of the formation of an Anglo-German consortium, the aim of which appears to us far from harmless. We have still to have a few words with those responsible for the projects of these forms of economic penetration. This business policy was able to triumph because, at the moment, these endeavours have met with analagous, although partly opposed, endeavours on the part of the leading groups of our former implacable enemy, France.

From the very first days after the October Revolution our worst enemies have been the agents of France. In the autumn of 1918, French diplomacy, blind with rage, wrecked the possibility of our rapprochement with the Entente. The French delegation conducted a whole system of conspiracy amongst us in 1918, just as in the following years French embassies, missionaries, and agencies have been the universal inspirers of all inimical movements against us and all attacks upon us. Clemenceau frankly declared that with the Bolsheviks there could only be a question of a struggle for life or death. He was the author of the scheme for the economic encirclement of Russia, the initiator and open advocator of systematic armed intervention by the Tsarist generals. His policy of violence became a carefully elaborated system in the hands of his successors. French policy was dictated by the endeavour to recover the Russian loans, and

The Labour Monthly

by a chronic panic and terror at the possibility of a revival of German military power. The system of French policy in the first period after the war was at the same time a new form of Napoleonism, an attempt to establish a continental hegemony in Europe.

The French continental policy, a military policy, was in complete contradiction to England's many-sided and far-sighted world policy, which embraced the interests of the capitalist world as a whole and foresaw the dangers threatening it. The French militarist policy, in essence profoundly unrealistic and abstract, has in practice become entangled in its own contradictions. It attempted to establish its continental hegemony on monarchical-clerical reaction, on the formation of an Austro-Hungarian grouping in the form of a Danubian entente, and on monarchical restoration. It supported the Tsarist generals, with their watchword "one and indivisible," and at the same time concluded agreements with Petlura which evoked the indignation and rancour of the counter-revolutionists. It wished to create obstacles to the future revival of Germany, but instead created new allies for her. Close acquaintance with the history of Russian counter-revolution reveals the fact that these circles were beginning more and more to be dominated by the gravitation towards closer union with the movement for German restoration. The revival of Russia would then lead on the next day to the revival of Germany, and would be closely bound up with it.

The French policy of reviving Napoleonism in relation to Germany led to the revival of strained relationships with England. France, as a result of her narrow militarist policy, fell into difficulties, out of which the more pliant Briand undertook to extricate her. A significant section of French business circles began to talk of agreement with Soviet Russia. In August of last year, when western business men were actively conducting a policy of exploiting the famine for the peaceful penetration of Russia, the French Press expressed its fear that England was going to skim the cream off this policy. No less a person than Poincaré expressed the opinion

The Genoa Conference

in the Press that France must not sit idle like a woman weeping by the road side.

The policy of the mailed fist with regard to Germany, the policy of merciless insistence upon her being throttled, was opposed by the policy of Loucheur, viz., the exploitation of Germany in the form of economic co-operation for the development of the economic power of France. This business policy of Briand and Loucheur coincided at Cannes with the business policy of Lloyd George, and made possible the decision to summon a general conference. What modifications Poincaré will introduce are still unknown. We stand before the realisation of our wishes, but we stand, also, before the new and serious danger of an attempt to unite all the economic interests with the aim of converting economic co-operation with us into our economic enslavement. It is exactly this which will have to be the object of struggle on our part. We are striving for business ends. We desire the economic restoration of Russia; we desire to adapt this to the adjustment of the economic relationships of the whole world; we desire in a purely business manner, together with the business circles of the west, to achieve our economic tasks; but notwithstanding all this, we must keep careful watch over the independence of Russia, that we never permit an infringement of her sovereign right or an interference with her internal affairs.

Our interests coincide with the interests of Italy. If Italian policy had not so frequently been characterised by lack of independence, or by superfluous subordination to the pressure of the Great Powers, we should long ago have got much further in our political and economic relations with her. The Italian Parliament was the first, as early as 1919, to express a desire for the re-establishment of relations with us. Wide social and political circles in Italy clearly understand what enormous importance a political and economic rapprochement would have both for them and for us.

A similar lack of independence has unfortunately not infrequently been displayed by the most powerful of contem-

The Labour Monthly

porary States—the United States of America. Both as regards the international conference, and as regards the proposed plans for the economic co-operation of Russia with other countries, as far as America is concerned we are faced with a note of interrogation. Her policy is an enigma, her relation to Russia a paradox. It would seem that everything was urging her to meet our aspirations for a rapprochement with her, and for the establishment of close economic relationships with her. In the early days of the Soviet régime the best among our foreign friends were the workers in the American Red Cross, Colonel Robins and his coadjutors, and the American Y.M.C.A., which even at that time tried to furnish Russia with agricultural implements. However, American policy fell under foreign influences. During the whole remaining period of President Wilson's administration these foreign influences operated effectively on American policy. A brilliant group of Republican senators, amongst them Hiram Johnson and Borah, demanded, among other things, resumption of relations with Soviet Russia, but so far these hopes have not been fulfilled by the Republican administration.

The lying information concerning the situation in Russia, especially successfully disseminated from the old Tsarist diplomatic circles and Russian bourgeois emigrés in the United States, has hitherto exercised only too great an influence upon the American diplomatic world. This false information prevents American diplomatic and business circles from understanding, that their present interests demand that they should respond to our undeviating efforts for economic co-operation and political rapprochement with America. At the very time when American policy, represented by American Governmental circles, is exhibiting extreme hostility towards us, American philanthropy, in the form of the American Relief Administration, in its humanitarian efforts on behalf of the Russian famine victims, far exceeds the efforts of all other foreign groups combined. The American Government itself sends us food, but all such assistance has to be of

The Genoa Conference

a philanthropic character, and we are continually being warned that under no circumstances are we to regard it as the beginning of juridical or actual political relationships.

There are a number of American journalists in Russia at the present time, and we hope soon to succeed in breaking down the wall of false prejudice and false information which is alienating from us wide circles of the American people, and which hinders the association of the two peoples which is so much to the interest of both. America did not participate in the meeting of the Supreme Council which adopted the decision to call a general conference. Her representative, Harvey, was present at Cannes only in an informative capacity.

The documents, on account of which we have summoned to-day's extraordinary session of the All-Russian Central Executive Committee emanate from the Great Powers with the exception of America and Japan. I shall read the telegrams received from the Supreme Council and the reply of the People's Commissariat for Foreign Affairs. The People's Commissariat for Foreign Affairs considers that this extraordinary session of the All-Russian Central Executive Committee should empower a delegation to be sent to the International Conference with the fullest plenipotentiary powers. It suggests further that the allied Soviet Republics and the Far-Eastern Republic should be represented at the International Conference together with the Russian Soviet Republic. A preliminary agreement has already been reached with them to this effect. We consider that to-day's session of the All-Russian Central Executive Committee, in deciding to send a delegation to the General Peace Conference, will signalise a memorable day in the history of Soviet Russia.

BRITAIN AND INDIA*

By B. G. HORNIMAN

(In the last issue of the LABOUR MONTHLY we printed a Socialist analysis of Gandhi's movement by Evelyn Roy. In the following article we present a Nationalist view from the pen of Mr. B. G. Horniman (the former editor of the "Bombay Chronicle," who was deported by the British Government in 1919) in the form of a review of Sir Valentine Chirol's latest book on "India, Old and New." This review gives the opportunity of observing two types of British opinion, that of the official reformer supporting Mr. Montagu's policy, represented by Sir Valentine Chirol, and that of the whole-hearted sympathiser with the Nationalist movement, who nevertheless hopes to retain India within the Empire, represented by Mr. Horniman. In our next issue we hope, in pursuance of our task of ventilating the various aspects of the Indian question for British readers, to print a special statement direct from Mr. Gandhi.)

SIR VALENTINE CHIROL has paid seventeen visits to India during a period of some forty years. Naturally enough he has become an "authority" on Indian problems in this country, though in India—Indian India—his name provokes resentment and ridicule as the supreme example of the constitutional inability of the Britisher to understand and appreciate them in a sympathetic spirit. At one time he had two obsessions about India; the virtue of British rule and the crime of "Indian unrest," which, as with many of his contemporaries, occupied more of his attention as an investigator than the larger question of its causes.

The harshness and narrowness of his outlook in former days, however, has not been unaffected by the influence of the great world changes of the last few years, and has given place

* "India, Old and New." By Sir Valentine Chirol. Macmillan and Co., Ltd. 10s.

Britain and India

to an almost genial recognition of India's claim to the benefit of the ideals for which she was called upon to fight in the war. In "India, Old and New," he has collected everything he has picked up about India during the past forty years. The result is a somewhat sketchy historical retrospect, of the old Anglo-Indian type, covering all the centuries, and a discussion of the present situation and the future outlook, from the "new angle of vision" created by the war and the Montagu-Chelmsford reforms.

* * * *

But the new angle of vision has not helped Sir Valentine Chirol to a much better grasp of the Indian problem, although he admits that he has modified many of the views he expressed ten years ago in "Indian Unrest." In August last, when he sent his book to the press, he wrote of the reform scheme of Mr. Montagu as "a great constitutional experiment," which "promises to rally as seldom before in active support of the British connection those classes that British rule brought within the orbit of Western civilisation by the introduction of English education, just about a century ago."

The events of the past few months have proved this to be an entirely fallacious supposition. But it is amazing that anyone professing to be in close touch with India, and having just returned from witnessing the uninspiring circumstances of the inauguration of the reforms, could have written such amazing nonsense even eight months ago. It was open to anyone with eyes to see and ears to hear even a year ago, when the author of "India, Old and New" was in India, to learn, if his mind was open, too, that this great constitutional experiment was not going to rally even the Moderates; and those who had scientifically studied the provisions and machinery of the Government of India Act, 1920, foresaw that the half-hearted enthusiasts who went into the Councils would quickly realise the extent to which they were being "taken in and done for" as they are already showing signs of doing. But the Indian problem has been persistently mis-handled by people who insist on believing in the incredible

The Labour Monthly

and pooh-poohing the obvious. And Great Britain will never get rid of it until she realises that Indians are, after all, ordinary human beings like ourselves, with minor psychological differences, who want to manage their own affairs; and want it the more because others have made such a shocking mess of the business.

There is no excuse for Sir Valentine Chirol. He has been to India often enough; he was there soon after the birth of the Non-Co-operation movement. He talked to Mr. Gandhi and must have seen everything there was to be seen. Moreover, to do him justice, he fully realises and gives a very proper reckoning of the crimes committed against the Indian people in 1919, which have so accentuated their determination to rid themselves of British rule; and he admits the gravity of the failure adequately to punish the criminals. He is quite astray on the Mahomedan question, which seems to be the result of association with a pernicious type of person known as the "loyal" or "conservative" Mahomedan, who is always thrown into the arms of investigators by the officials, combined with a certain amount of preconception about the spiritual relation of Mahomedan India to the Sultan of Turkey as the Caliph of Islam. That is a question about which no non-Mussulman is competent to argue. Even if it were true that the recognition of the Sultan as Caliph by Indian Mahomedans is of quite recent origin—and it is not true—it would be quite beside the point. The fact to be faced by people in this country is that all Mahomedan India is united on this point, and its aid in the war was bought by the most solemn pledges ever made by a British Minister, that their religious scruples in this regard would be respected when the settlement with Turkey was made. Sir Valentine Chirol is quite wrong when he makes the amazing statement that "not till towards the conclusion of the war did the Mahomedan extremists discover a special grievance for their own community in the peace terms likely to be imposed upon a beaten Turkey." The question caused the most intense anxiety to, and agitation among, the whole Mahomedan com-

Britain and India

munity from the earliest stages of the war. In 1915 the proposal was mooted of an All-India deputation to the Viceroy for the purpose of impressing upon the Government the resentment that would be engendered by any attempt to interfere with the temporal authority of the Sultan-Caliph, or in any way to disturb the integrity of the Caliphate as represented in his person. Then and afterwards this unrest in the Mahomedan community was only held in check by a policy of repression and internments and the profuse assurances offered by the central and provincial governments, which were finally sealed by the specific pledges of the Prime Minister. Sir Valentine Chirol suggests that the whole Caliphate agitation has been engineered and fostered by unscrupulous extremists for purely political purposes. He presents such a travesty of the history of this question as to deprive him of any claim to write on it as an authority.

His scepticism of the genuineness and disbelief in the permanence of Hindu-Mussulman unity, again, shows that, despite his apparently sincere effort to adjust his angle of vision to a changed India, his observation has been no less superficial than it used to be. There is no less reason that Hindus and Mussulmans should not find unity in their common nationhood as Indians, than that Protestants and Roman Catholics or Englishmen, Scotsmen and Welshmen should not be able to live and act together in unity, as in fact they do. If Mahomedans had not been deliberately and persistently encouraged by British officialdom to believe that their political interests lay in an alliance with the bureaucracy against the "Hindu Congress," it is doubtful whether there would ever have been political disunity as there was in the past. Religious strife, it is true, there has been from time to time. But most religious riots can be traced to the bungling interference of officials and often to deliberate favouritism; and it is noteworthy that the sort of outbreaks that occur in British India are very rare in the Native States. People who have lived in India and really entered into the lives of the people, who have seen how closely and amicably interwoven

The Labour Monthly

are the two communities, the closeness of their social intercourse and the thorough friendliness of their every-day relations, are able to possess a firm belief in Hindu-Mussulman national unity, once the sense of nationhood and realisation of common interests has been aroused. Nor could anyone who has been associated with, or a keen and sympathetic observer of, the movement and the events of the past few years doubt the genuineness of the great *rapprochement* which brought Hindus into the mosques and Mahomedans into the temples, a phenomenon the sincerity of which Sir Valentine Chirol refuses to admit.

* * * *

Sir Valentine Chirol is impressed by the mesmeric influence of Mr. Gandhi's extraordinary personality, but, like most of the latter's English critics, the combination of religion and political leadership is more than he can stomach. There are no limits, he says, to the disastrous lengths to which a people may not be carried by one who combines such qualities or functions. Equally, one may say, there are no limits to the beneficent results that may be achieved by a man who brings to a political struggle an almost unexampled saintliness of character and a rigid determination to adhere to truth and proclaim the gospel of love. Our sordid politics are so steeped in materialism and selfishness that, like Mr. Massingham, who refuses to believe that a journalist can be a saint—which is natural enough after so long an experience of English journalism—Sir Valentine Chirol cannot bring himself to believe even in the possibility of Mahatma Gandhi's programme producing a better India than Mr. Montagu's dyarchic Government. Must we always deny Christ?

But Mahatma Gandhi is not altogether the difficult and impossible person that his critics would have us believe. Honestly convinced that an alien Government that produces Amritsars and will not be persuaded to do penance for them by adequately repudiating and punishing the officers responsible for the misdeeds done in its name is "satanic"; equally convinced of the steady deterioration and demoralisation

Britain and India

undergone by a people subjected to foreign domination, he believes it to be essential to the recovery of their self-respect and the natural and healthy development of their national state that they should rid themselves of the alien yoke and regain control of their own destiny. In the case of India there is only one way to the speedy realisation of the goal, which is, not by learning the art of self-government at the hands of Mr. Montagu, through a long period of humiliating and demoralising tutelage, but by refusing co-operation with the unwanted alien administration. Being a sincerely religious man, he is unable to divorce his religion from his politics, and the Indian people, being for the most part a sincerely religious people, have found in him just the sort of leader they wanted.

But let it not be supposed that his mesmeric personality and his association of religion with what we regard as a political movement is the sole secret of his tremendous power and influence and the rapid growth of the Non-Co-operation movement to gigantic proportions in the face of prophecies to the contrary by such authorities on India as Lord Chelmsford, who declared, over a year ago, that the movement would shortly die of its own inanity. Take away Gandhi to-morrow and the movement will still be there, for the secret of his emergence to power and a popular worship, that is akin almost to idolatry, is because the people have been waiting for him. It has been patent to those who know the mind of India for years past, that the first man who came out to show them the road to freedom, without compromise, would sweep the country. That is what makes the futility of people like Sir Valentine Chirol, who talk about rallying the educated classes by illusory constitutional reforms, so tragic. The only wise course to pursue with India, at this juncture, is to invite her leaders, as the Sinn Fein leaders were invited, to sit down and discuss how the fullest reasonable measure of self-government and national independence can be reconciled with association with the British Commonwealth, combining the recognition of freedom with the interests of both sides.

THE TRADES COUNCILS

The Need for the Extension of Their Scope and Work

By TOM QUELCH

I

THE working-class movement is being weakened and undermined by the terrible economic conditions on the one hand and the capitalist offensive on the other. It is imperative that something be done to enable it to overcome its difficulties and to deal with the present situation. All are agreed as to that. But what? The concentration of the fighting power of the Trade Union movement in the General Council of the Trades Union Congress so that future industrial struggles will be the concern of the whole movement is certainly one of the necessary forward steps that must be taken. But that is a very involved and difficult process. Nor is sectional campaigning the only source of weakness. The movement is weak in the localities—which is another way of saying that it is weak in its foundations. A strong national movement is impossible without strong local movements. National solidarity is impossible without local solidarity.

This being the case, we make a plea for the extension of the scope and work of the Trades Councils.

The Trades Councils have already played a very important part in working-class history. They have given good service to the workers. They were the pioneers of the Trade Union movement in the localities. It was through the Trades Councils that the Trades Union Congress came into being. The Trades Councils have been the initiatory bodies in promoting agitations on most of the questions and problems which beset

The Trades Councils

the working class. The Trades Councils were the first bodies to develop working-class political activity—especially as regards municipal affairs. It is necessary that these facts should be more widely recognised, and the question of still further developing, extending and improving the Trades Councils seriously considered.

II

The Trades Councils are the *existing* local central bodies. Through them, and through them only at the present time, can complete local working-class solidarity be achieved. They are the best bodies, the bodies most fitted, to bring this solidarity into being. There is a permanent quality about them. They are not ephemeral, loosely-knit, uncertain organisations, like many working-class councils and committees that are formed to fulfil a passing need. Their position is assured. Their bona fides are without question.

Bearing all this in mind, let us, therefore, try to reconstruct from out of a Trades Council of to-day an ideal Trades Council so that we can always have at the back of our heads a conception of what we desire. By doing so, and then critically examining each Trades Council in turn, we can see how much they fall short and what is needful to their development.

The average Trades Council consists of delegates from Trade Union branches in the locality. In some cases it is usual for one delegate to attend for each branch, in other cases two delegates are sent. Some Trade Union branches, on account of the size of their membership, send more than one delegate.

These delegates constitute the Trades Council. If, for instance, there are 30 Trade Union branches in a locality, and each branch possesses an average membership of 100 members—then the 30 delegates who make up the Trades Council represent a total membership of 3,000.

These 30 delegates, following the usual practice, elect from amongst their number a secretary and chairman, and a small Executive Committee.

The Labour Monthly

The Trades Council usually meets once a month. The Executive Committee might meet once or twice between the full Council meetings.

The secretary conducts the correspondence, convenes the meetings, and is generally the most important individual connected with the Council.

The chairman presides at the Council meetings, and the Executive meetings, and functions publicly as leading spokesman for the Council.

The Executive sifts the correspondence, discusses matters of general importance to the Council, and generally outlines its policy.

The Trades Council concerns itself generally with all matters of interest to the workers. It supports working-class candidates for municipal bodies and for Parliament. It carries on agitations in favour of better houses for the workers, more parks and open spaces, cleaner streets, more conveniences, baths and washhouses, libraries, schools and public institutions. In the event of one of its affiliated branches being involved in a dispute of any kind, a strike or lock-out, it rallies all the Trade Union forces of the locality to render moral, and, if necessary, material support in the struggle. It expresses itself, by resolution, on all the public questions of the day. Sometimes it takes the initiative in promoting discussions and developing agitations for the reformation of the Trade Union movement.

And that is all.

To-day the Trades Councils in this country have not a wider sense of their functions. No long-views are taken as to the future scope of their activities. No general plan of development is conceived. No attempt is made to realise the potentialities of these bodies.

III

Our imaginary Trades Council of 30 delegates has an affiliated membership of 3,000. That is a small Trades Council. Very few Trades Councils have so low

The Trades Councils

a membership. Yet 3,000 members constitute a large number. And this 3,000 necessarily consists of the best workers in the locality. They are the cream of the local working class, because they are organised.

Now the secretary of the Trades Council—if he is a good secretary and alive to his job—can easily secure the names and addresses of his 3,000 affiliated members. He can go to the Trade Union branches and request the Trade Union branch secretaries to give them to him. If they have not them all then he can appeal to the branch members at their meetings to give them to him. Thus, by dint of a little energy, he can compile a register of 3,000 of the best workers in his neighbourhood. In this register he can tabulate not only their names and addresses, but the trades they work at, and also note particulars as to their individual ability and general usefulness from a Trades Council point of view.

Thus the Trades Council—the local workers' General Staff—solidifies its contact with its army. Three thousand members are at its disposal for all purposes. They can be rallied under all circumstances, and it is known how they can specially function under certain circumstances. No effort should be spared to interest them all, individually, in the work of the Council. They can be rallied for electoral contests: such as elections to Borough or Town Councils and Boards of Guardians, or in support of Parliamentary candidates. They can be rallied to participate in all social functions organised by the Trades Council: re-unions, concerts, whist drives, etc. They can be rallied to support all agitations, particularly unemployed agitations. They can be roused in the event of a national strike. And they are there to play their part in the event of a crisis of a deeper and more significant character.

To rally them, on all occasions, effectively, much intensive organisation is necessary. For this purpose Ward Committees, cycling corps, and other sub-organisations can be gradually called into being.

Getting the names and addresses, and compiling an in-

The Labour Monthly

formative register, of all the affiliated members is, then, an essential preliminary.

At the same time as this register is being compiled an exhaustive examination should be made of all the elements that constitute what is known as the local Labour movement. If a local Labour Party is in separate existence, branches of Socialist and Communist organisations, and co-operative guilds, their condition, membership and so on should be tabulated. After due consideration the first step should be taken to widen the scope of the Council. The constitution of the Trades Council should be so remodelled as to permit the affiliation of all bona-fide working-class organisations in the locality. But this widening of the scope of the Trades Council should not result in it being overwhelmed. Any political affiliation or co-operative affiliation should be rendered subordinate to the Trades Council as such—not so rigidly, at first, as to prevent harmonious working, but nevertheless subordinate.

In this way the Trades Council will become the supreme and single central body in the locality. It will assert its position as covering the entire local organised working class. It will be transformed from a Trades Council, with peculiar and limited industrial functions, to a Workers' Council. And its claim to express the needs, desires and aspirations of its constituents in all the manifold aspects of their lives—as citizens, as industrial workers and as consumers—will become more and more to be recognised. Moreover, the inclusion of these bodies in the Council will naturally attract to it much more working-class attention, its debates will be followed with greater interest, and its reputation and general strength will be increased. It does not matter how critical and disputatious some of these outside bodies may be, so long as they do not nullify the work of the Council. Let the critics argue with heat and passion. So much the better. The best policy will win. The old, narrower bodies will discover their limitations when brought into touch with actualities and in the process of becoming—the evolution—which the Trades Council will undergo.

The Trades Councils

Having thus secured the active support of the working class the Trades Council, informed and inspired by the best working-class spirits in the locality, will naturally take the lead in all agitations. Every propagandist opportunity will be seized upon. The day-to-day struggle of the working class will find greater and greater expression. It will formulate its slogans, plan its campaigns, voice every grievance, give articulate expression to every desire.

Circumstances will determine the best means of doing this. If it is necessary to appoint special sub-executives for the respective industrial, political and co-operative sections by all means let it be done. If other committees or commissions are necessary let them be appointed, with powers subject to the decisions of the Council.

Then, in more or less shadowy outline, the Council should begin to perceive its potentialities.

IV

Everywhere it is agreed that the workers should control the municipal administrative bodies: the Town or Borough Councils, and the Boards of Guardians. Let us, first of all, well realise what these bodies are. They are the local organs of capitalism. Their function is to ensure the smooth-running of the locality as an integral part of the capitalist system. While there is much in their technical machinery for lighting and cleaning the streets, ensuring proper sanitation, and so on—that could be turned to account when the workers ultimately secure power—these bodies will have fulfilled their historic mission. If they persist in name and form they will become atrophied through lack of function. The transformed Trades Council which will locally express the needs and requirements of the workers will supersede them.

This conception of the ultimate object of the Trades Council, or Workers' Council, is supported by all the available evidence we have of the further development of our movement. The rise of the Soviets, or Workers' Councils, in Russia is the startlingly supreme example: the movement

The Labour Monthly

which followed the Winnipeg strike and developed into working-class control of that city, the case of Limerick, and the great struggle of the German workers in which the Trades Councils of middle Germany played so important a part, all unmistakably and inevitably point to that fact.

This conception, then, must always be borne in mind as we proceed.

Let us take any locality, and let us imagine ourselves, as workers, faced with the task of successfully taking over and running that locality. In every town or district or area covered by a Trades Council there would be masses of workers whose requirements would have to be satisfied. They would need food, clothing, shelter. They would need streets and roads to walk comfortably about on. They would need omnibuses, trams and trains to ride in. They would need employment on useful and necessary work. They would need educational facilities for their children. They would need all the pleasures and compensations of civilisation: books, places of amusement and recreation, and the thousand and one things that provide the objective element in life.

Such would be their needs. To satisfy those needs the Workers' Council, or transformed Trades Council, would be compelled to take over, exercise such discipline on and generally control, much more intensively and to a much greater degree than the present capitalist municipal bodies, the locality in its entirety.

The Workers' Council would have to ensure that the workers continue working at their jobs. It would have to ensure the smooth-running of the workshops, factories and printshops. It would have to ensure adequate food provision and distribution. It would have to control the letting of houses, their upkeep and repair. It would have to superintend the cleaning, general sanitation and lighting of the locality.

Bearing these facts in mind, let us see on what lines the comprehensive Trades Council, which includes all the or-

The Trades Councils

ganised working-class bodies in the locality—political, industrial and co-operative—can be further developed.

One of the first aims of the Council should be to get an efficient information bureau established. By careful gathering of all the information about everything in the locality, filing and tabulating it, the Council puts itself in a position to plan its campaigns properly. Information should be gathered, particularly, about the municipal bodies and their constitution, limitations, methods of working the machinery of local government: particularly as to the running of trams, lighting of streets, and other municipal undertakings. Information should be carefully gathered about all the workshops and factories in the locality: their methods of working, the contracts they carry out, their general business, management and control. This information, besides being of infinite ultimate value, will prove very valuable during times of local dispute. Then a mass of information should be collected and filed about the local landlords, capitalists, shopkeepers and their financial and business ramifications. One cannot know too much about the enemy. The German Trades Councils which, before the war, specialised in the creation and development of their information bureaux, found them tremendously useful in strike movements and electoral contests. That can be readily understood. They could be of similar service here. Then much miscellaneous information of all kinds should be collected about workers who can speak, organise, write propaganda literature, be of use as canvassers during elections, sing at concerts, entertain at social functions. No efforts should be spared to discover the special abilities of workers and put them to the utmost use. Further, information should be tabulated about men who blackleg during strikes, serve as special constables or reactionary agents during industrial disputes, and who must of necessity be regarded as the natural enemies of the working-class in its upward struggle.

Having all this information as a basis, as well as the registers of electors, lists of speakers, canvassers, etc., the

The Labour Monthly

Council can plan its general policy under capitalism to secure as much control in the locality as possible. While realising the limitations of the municipal bodies it must, nevertheless, aim at capturing them. By doing so it extends its influence and power, and gains in administrative experience. By doing so, also, it trains its men in the management of local affairs. For the purpose of capturing these bodies it must know its district "like a book." It must have its ward committees, its trusted supporters, its speakers all in readiness. It must have its technical apparatus well managed also. Its property should be of the best and most suitable. There is much in having well-built, distinctive platforms for street-corner meetings; in always having in evidence beautiful flags and banners. Its publicity work should be well cared for. Its placards, handbills, literature of all kinds being always simple, clear, straightforward, written both to appeal to the mind and the heart. The difficulties and distractions of the workers' lives should always be considered, as well as their general lack of education and their ill-education by the organs of capitalism. All manifestoes and appeals should be short, simple, sharp and to the point. The meeting places should be carefully selected; the most populous and least disturbed open spaces deliberately chosen even if never previously have meetings been held there.

Certainly, the Council should have—as many have at the present time—its year book full of necessary information and attractive reading matter for its members. If possible, with the development of its strength, the publication of a magazine or newspaper should be undertaken.

A strong spirit of comradeship should be developed amongst the active workers of the Council, and a sense of loyalty and discipline to the Council should be built up, strengthened and deepened, so that its work, its decisions and everything in general connected with it will command the greatest respect and consideration from the workers. Only by doing this and finally being able to impose an iron discipline on its supporters will it be able to function pro-

The Trades Councils

perly during those fateful times of crisis which we know to be inevitable.

Developing thus, it should reach out in all directions. The Berlin Trades Council and other German Trades Councils have developed under their auspices vast numbers of social and cultural ramifications: libraries, study classes, educational societies, dramatic clubs, sports clubs, singing and choral societies, gymnastic clubs, music bands, as well as numerous co-operative undertakings. The same is true of the cities of Belgium, particularly of Brussels; and the towns of Scandinavia. There is hardly a town of importance in middle and northern Europe but has its fine People's House, with café and cinema and lecture halls. What is possible on the Continent under capitalist conditions is equally possible here. And these things, these undertakings, are in the line of the natural evolution of the Trades Council. Therefore the Council must, as far as it is able, intelligently and steadily progressing the while, endeavour to touch the workers' lives in all their phases. Under its auspices a new social milieu should be created by the workers for the workers themselves. In this way can be thrown out, as it were, the tentacles of that cultural communal life which will be fully developed with the passing of the old order.

The social side of the Council's activities must not, however, be permitted to interfere with its more serious work. Nor need it. Men are complex beings: and there is no lack of men who show a special preference and ability for the social side who would not, otherwise, do anything. It is a small Trades Council, as we have said, which does not have a membership of several thousands, and amongst those several thousands it should not be difficult to find a sufficient number of men to take charge of that work without interfering with the essential work of the central local body.

One of the main purposes of the Council should be the development of class education amongst its constituents.

The Labour Monthly

To this end speakers' classes, industrial history classes, political economy classes, etc., should be established. Such bodies as exist for this purpose at the present time should be encouraged, by some means, to seek affiliation to the Council and thus entail their close co-operation.

No definitely working-class activity should be neglected. Upon them all the Council should set its seal and exert its influence.

Still further should the Council reach out. It should induce its members to participate actively in the co-operative societies. It should have its men on the co-operative committees and on the committees of the co-operative guilds. And it should influence those societies to throw out the necessary distributive agencies to supply the food and fuel of the locality. Thus its men would gain no little managerial experience and knowledge with regard to the sources of supply and the distribution of the necessities of life. More. The co-operative organisations and societies can be developed into considerable sources of financial support for the work of the Council. The possibilities of the co-operative organisations as actual aids in the class struggle have never been properly explored. The aid they rendered the Irish transport workers during the famous strike, when co-operative ships with co-operative merchandise went to the assistance of the starving strikers and their families, is a matter of history and opens up extraordinary prospects.

The question of finance is a serious one for the Council, but it can be overcome once the potential supporters of the Council are intelligently rallied. The more the Council exerts its influence the more support will it naturally obtain. It is backed by the two very definite sources of income in the movement: the Trade Union movement and the co-operatives, and its several thousands membership can be induced to support it financially in many ways.

Always the Council should have in perspective its functions of to-morrow. And it should aim at that solidity of power and completeness of expression as will give it that

The Trades Councils

command and dignity which will justify and consolidate its position. To this end it might well emulate the example set in Berlin and Brussels and establish its People's House. Only it should start on such a venture after most careful consideration, so as not to have its activities crippled by a "white elephant." And its building should be strong and imposing—"a thing of beauty is a joy for ever." Always, and under any circumstances, the Council should make a great effort to get itself well housed.

Then, after testing in every way its secretary's ability, it should endeavour to make him a full-time official. This is absolutely necessary as more and more of his time will be absorbed by Council work. An active man, free to devote his whole time to the work, and imaginative as to the Council's possibilities, is sure to build up around him elements and agencies from which income can be derived.

Here let us digress a little. It is assumed that this propaganda to transform the Trades Councils into Workers' Councils, possessing the scope, working-class support and power to take over, reorganise from a working-class standpoint, and run the localities, is not limited to any particular locality, but is nation-wide in its extent, and that the increased interest in these bodies will compel the Trade Unions and the General Council of the Trades Union Congress to attach more importance to them and render them very definite and adequate financial assistance. At once an agitation should be started for that purpose in the big national Unions.

Not satisfied with the power it thus exercises, the Council should proceed, conscious of its ultimate purpose, to establish in the factories and workshops committees representative of all departments. These Committees should also be affiliated to the Council, forming, as it were, a subsection. And these Committees, inspired by the Council, should generally so shape themselves as to be in a position to take charge when the time arrives. Having that end in view, it is necessary that no department of the factories and

The Labour Monthly

workshops should be overlooked, and the minutest information should be obtained.

Thus the Council gradually builds up a network of ramifications. It obtains a firm grip on the locality. It encourages the development of the co-operatives by inducing its members to become co-operators. It dominates the municipal bodies. It strengthens the Trade Union branches by its propaganda efforts so that, in time, there is no non-Unionist worker in the locality: thus creating for itself formidable industrial power. And its influence, its might, is gradually forced on the community, raising the workers, disciplining them, breeding in them a fierce loyalty. It clarifies the class position of the workers. It seizes on every phase of the class struggle to enter into the conflict, to rally and unite its forces. By constant watchfulness, by unremitting endeavour, it gathers strength so overwhelming as to overcome easily the forces opposed to it.

Being conscious of its purpose, it specially trains its men. It takes advantage of every opportunity of providing its hard and loyal workers with managerial or administrative experience. By this means, when the time arrives, it has in readiness men ready and able to occupy the positions of vital importance.

By its propaganda, its educational work, its social developments, its encouragement of working-class culture, it develops in the workers an entirely new outlook on life and an entirely new class spirit amongst themselves. It weans them from all capitalist-religious and patriotic influences. It steadies and strengthens them. It fits them for the final struggles and the great tasks that will follow. It broadens their minds. It develops in them a social spirit that is the very antithesis of the capitalist-individualism of to-day. It so implants that feeling of self-sacrifice in them that they will be just as anxious to fight and die, if needs be, under the banners of the Council as the workers of Russia were under the banners of the Soviet.

PRESENT-DAY JAPAN

By SEN KATAYAMA

MODERN Japan dates from the Revolution in 1868, which destroyed Feudalism. The Western world noted with amazement the almost miraculous growth and development of Japan. For three hundred years Feudalism had completely isolated the country, and it was not until after the Revolution of 1868 that Japan began to enter into relations with the West. The statistics in the table overpage give an idea of Japan's development.

These figures have been taken from the year book of the *Oriental Economist*; they show very clearly the progress made by Japan in various industrial spheres, as well as in her financial development. Fifty years ago Japan was in a semi-barbarous state. There were no factories, no railways—indeed, no industry at all in the modern sense of the word. Japan was forced to attempt to reach the same level of efficiency as the Western world in order to be able to trade with her. Everything has been sacrificed by Japan on the Altar of Capitalism. Laws, the constitution, the Government and the social as well as the political organisations, all are formed in such wise that they benefit the capitalist class principally. The exploitation of the workers is limitless.

Both politics and Parliament are ruled by a chosen minority—one glance at the voting system makes this evident. In 1902 the number of votes for the Imperial Parliament was 987,193; in 1906, 757,788; in 1908, 1,582,676; in 1917, 1,422,118; in 1920, 3,085,628. This periodical increase of the voters can be traced back to the extension of the franchise. At the commencement only those people were entitled to a vote who paid fifteen yen in direct taxes (Land Tax, Income Tax or Business Tax); in 1904 this taxation was reduced to ten yen, and in 1920 to five yen.

THE GROWTH OF JAPAN.

	1868.	1870.	1877.	1890.	1902.	1907.	1912.	1920.	1921.
Population (millions)	..	..39.0..	—	..35.0..	—	..48.8..	52.5..	58.0..	—
Foreign Trade (mill'ns of yen)	15.5..	—	..23.3..	56.6..	—	..432.4..	526.9..	..4284.5..	—
National Debt (")	—	..48.0..	232.0..	—	820.0..	2,997.0..	4,113.0..	4,502.0 (1919)..	—
Funds :									
No. of Companies					83.	133.0..	—	..393.0 (1918)..	—
Capital of Limited Companies (millions of yen)					787.0..	970.0..	—	..8,865.0 (1918)..	—
Total capital of Companies (")					897.7..	1,114.0..	—	..1,114.2..9,424.7 (1918)..	—
Grain Harvest (wheat, barley, etc.) in millions of kokus					19.7..	22.8..	—	..22.8..	—
Rice plains in millions of chos 2,234.0 (average '88-92)					2,864.0..	2,960.0..	3,003.0..	..3,104.6..	—
Price of rice per koku in yen 33.8 (average 1888-92)					46.4..	49.0..	51.7..	..60.8..	—
Rice harvest in millions of kokus					..	16.55..	19.39..	..44.27..	19.0
Consumption of Electricity (1,000 units)					..	..74,019.0..	345,737.0..	798,177.0..	—
Finance (in millions of yen) :									
Revenue 22.1 (Average 1872-1)					..297.3..	398.5..	—	687.3..	1,335.5..1562.0
Expenditure 19.2 (Average 1872-1)					..289.2..	602.4..	—	593.5..	1,335.3..1562.5

NOTE :—1 koku = 4.9629 bushels.

1 cho = 2.4507 acres.

1 yen = 0.50 American dollars.

WAGES.

GOVERNMENT FACTORIES.						PRIVATE INDUSTRIES.					
Number of workers.		Wages per hour in yen.		Working days in the year.		Number of workers.		Wages per hour in yen.		Working days in the year.	
Men.	Women.	Men.	Women.	Men.	Women.	Men.	Women.	Men.	Women.	Men.	Women.
1912..	99,365..	30,271 ..	0.72 ..	0.28 ..	321 ..	272	348,230 ..	476,497 ..	0.53 ..	0.26 ..	299
1915..	128,675..	37,167 ..	0.70 ..	0.30 ..	314 ..	301	350,976 ..	559,823 ..	0.56 ..	0.26 ..	299
1919..	122,484..	41,087 ..	1.10 ..	0.54 ..	314 ..	302	7 6,076 ..	814,392 ..	— ..	— ..	— ..

Present-Day Japan

Taken in proportion to the population, the number of those entitled to a vote during the last twenty years is as follows:—20.91 per thousand in the year 1903; 25.75 per thousand in 1917; 46.33 per thousand in 1920. In 1903, 121,069 inhabitants were represented by one member of Parliament; in 1920, 121,235. This franchise has placed Japanese politics entirely in the hands of the capitalists and the bourgeoisie. The workers have no voice at all during the first phase of Parliamentarism.

For the last fifty years the Japanese workers have been struggling under a very complete system of exploitation and barbaric police laws. Under such conditions of oppression they have had to adopt an entirely new method of production, which had been imported from the West. There are 1,500,000 factory workers in Japan to-day; the total number of industrial workers amounts to 2,000,000. All these workers have been trained during the last forty or fifty years. Their education was accomplished by the employment of machinery and tools procured from the West. Therefore our workers have had no chance, until quite recently, to make an effort to shake off the yoke of the Government and the big capitalists.

Latterly, however, more especially since the Russian and German revolutions, the Japanese have learnt fairly well how to use every favourable opportunity, how to gain ground and maintain it when won. By such fighting measures as strikes and sabotage they have in many cases obtained the right to form Trade Unions and factory committees. Street demonstrations and mass meetings have been held, in spite of all police opposition and frequent military interference. In a few cases the workers have occupied factories, not to work in, but to use these factories for meeting places for the duration of the strike.

Japanese industry developed with great rapidity during the world war (1914-1918), and the number of millionaires increased accordingly. Most of these, however, went under in the industrial and financial crisis in 1920. This crisis

The Labour Monthly

began on the money market on March 15, 1920, and the shares of the Tokyo Stock Exchange, which may be regarded as the barometer of Japanese financial conditions, fluctuated wildly, as the following table shows:—

	Highest Rate.	Lowest Rate.	Yearly Average.
1915	309.95	115.95	164.85
1918	248.00	142.00	174.54
1919	483.90	183.10	183.10
1920	549.90	109.50	140.10

In the previous month the rate of exchange fluctuated between 139 and 150, a sure sign that financial conditions are in a bad way in Japan—possibly even worse than a year ago. Money has accumulated in the hands of a very few wealthy people who are infinitely richer now than they were before the crisis.

Japan's pre-war gold reserve amounted to 200,000,000 yen; at the present moment this gold reserve has reached 2,000,000,000 yen, and, in spite of the industrial and trade crisis, has increased during the last twenty months.

As previously stated, Japan is a capitalistic country where everything is arranged to meet the needs of the capitalist. Nevertheless, the days of Capitalism are numbered and the capitalists have begun to realise this fact. A deep-rooted discontent is evident among the Japanese people. The workers and peasants complain of the present conditions and their desire for a betterment of these conditions manifests itself in strikes, acts of sabotage and riots.

From an economic point of view Japan is governed in the craziest manner. More than half the National Budget is ear-marked for armament purposes—over 450,000,000 yen are to be expended in the coming year on the navy alone—the people are groaning beneath the burden of taxation, and industry is sorely hit by heavy duties; consequently the employers are endeavouring to exploit the workers still further by the reduction of wages and the increase of the cost of goods. The price of rice, for example, at the present moment is 42 yen per koku, a record not reached hitherto.

Present-Day Japan

Cleaned rice costs 50-60 yen or more. Foodstuffs are on the whole dearer than other goods. Raw materials, however, are cheaper, so that, in conjuncture with lower wages, the profits of the employer are greater than they were even in the time of the great trade boom, while the exploitation of the workers is greater than ever before.

One of the most hopeful signs for the proletarian movement is the awakening of the youth of Japan. The revolution in 1868 was started, carried through, and brought to a successful conclusion by the youth of that day.

The younger generation will be a powerful ally to the workers and peasants who, class-conscious, are ready for the fight for power.

The imperialists of Japan are obstinately trying to maintain their position, in spite of the failure of their policy during the past years, refusing to admit the faults which they have committed, both at home and in their Colonial policy. The Japanese people are protesting violently against the failure of militarism, and have grasped the fact that imperialism and militarism will bring no lasting benefit to their country. This appreciation of the situation by the people, the awakening of the workers, the peasants and the youth of Japan, justify our great hopes for the near future.

As far as her foreign policy is concerned, Japan appears before the world in the worst possible light. The brutal, yes, sanguinary, policy of Japanese militarism in Korea, her pitiable policy with regard to China, have made Japan the Prussia of the East. Taught by the war, the Japanese people have lost all faith in bureaucratic government and military autocracy. Discontent and unrest is growing fast. For these reasons it can be stated that Japan is ready for the social revolution.

MR. AUSTEN CHAMBERLAIN ON THE ORIGIN OF THE WAR

(The following statement by the leader of the House of Commons on the Origin of the War was made in the course of the debate on the Anglo-French Pact on February 8, 1922. It was little noticed in the Press at the time, and in view of the definiteness of the statements made as to (i.) the obligations assumed by the Government having tied the hands of the House of Commons, (ii.) the secrecy of those obligations, (iii.) the fact of those secret obligations and not the case of Belgium having been the primary cause of the war, it has seemed worth while to rescue these pages from the oblivion of Hansard. The lively interchange of opinions provoked by the statement affords an interesting glimpse of the present stage of development of professional political opinion on the subject. It will be observed that Sir Donald Maclean still believes that Britain went into the war because of Belgium, and that this view is now officially treated with mild contempt. The important passages in Mr. Chamberlain's statement have been italicised.)

MR. CHAMBERLAIN: I would beg the Noble Lord to consider what might have been the altered condition of the world to-day if such a pact had existed in 1914. No man can speak dogmatically about the might-have-been, but at any rate I think that it is worth the while of the House and the country to consider a little in what position we did find ourselves, and how it might have been altered had there been such a pact enforced then. We found ourselves on a certain Monday listening to a speech by Lord Grey at this box which brought us face to face with war and upon which fol-

Mr. Chamberlain and the War

lowed our declaration. *That was the first public notification to the country or to anyone by the Government of the day of the position of the British Government and of the obligations which it had assumed.* It is true that Lord Grey, speaking at this box, said that it was for the House of Commons to decide whether they would enter into war or not. Was the House of Commons free to decide? Relying upon the arrangements made between the two Governments the French coasts were undefended—I am not speaking of Belgium, but of France. There had been the closest negotiations and arrangements between our two Governments and our two Staffs. *There was not a word on paper binding this country, but in honour it was bound as it had never been bound before*—I do not say wrongfully; I think rightly.

Mr. O'CONNOR: It should not have been secret.

Mr. CHAMBERLAIN: I agree; that is my whole point, and I was coming to it. Can we ever be indifferent to the safety of the French frontier or to the fortunes of France. A friendly Power in possession of the Channel ports is a British interest, treaty or no treaty. Conversations or no conversations, it will always be a British interest, as it always has been a British interest which this Parliament and this country would be prepared to defend. The hon. Member for the Scotland Division of Liverpool (Mr. O'Connor) says that if the facts were as I stated them to have been, and as I believe they were, it ought not to have been secret. So I think. Suppose that engagement had been made publicly in the light of day. Suppose it had been laid before this House and approved by this House, might not the events of those August days of 1914 have been different? Is it not, at any rate, clear that our intervention came as a great surprise and a great shock to the German Government, that they were wholly unprepared for it, and that some few among them—I claim Admiral von Tirpitz as an example—saw at once that German ambitions would never be realised in the war in which they had already engaged and from which they could not escape. If we had had that, *if our obligations had been*

The Labour Monthly

known and definite, it is at least possible, and I think probable, that war would have been avoided in 1914.

Sir F. BANBURY: Why did not the Government say so at the time?

Mr. CHAMBERLAIN: I was not a member of the Government at the time.

Sir F. BANBURY: But the Prime Minister was.

Mr. CHAMBERLAIN: I am responsible only for myself.

Mr. THOMAS: The country was asked to support it for an entirely different reason.

Mr. CHAMBERLAIN: I put on one side the case of Belgium, which is not pertinent to the arguments I am now addressing to the House. It is common ground to us all that we were pledged to fight for Belgium.

Sir D. MACLEAN: We went into the war on account of Belgium.

Mr. CHAMBERLAIN: We had such a Treaty with Belgium. *If it had been France only we could not have stayed out after the conversations which had taken place, and it would not have been in our interests to have stayed out, and we could not have stayed out without loss of security and honour. When there are obligations of that kind it is better for us, and it is in the interests of peace, that they should be public and known, and then it is much less likely that peace will be challenged.*

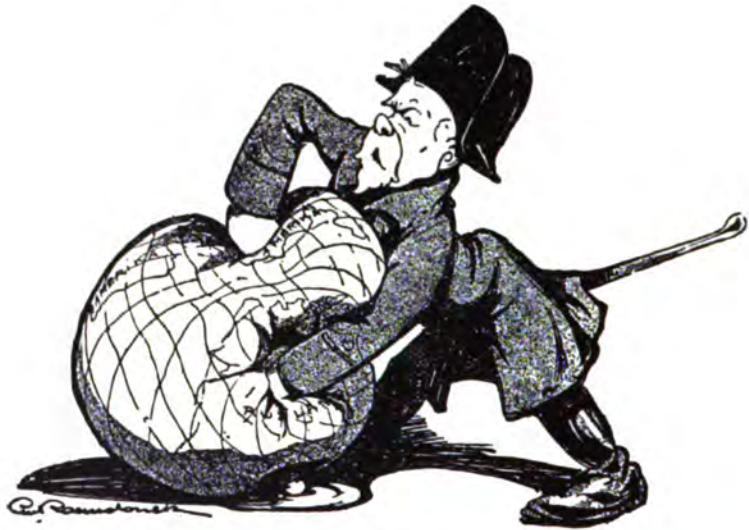
Cartoons of the Month

WELLS IN AMERICA.



"But really, you have no classes in America."—*The Liberator*.

POINCARE HITS OUT



"First I flatten out Germany, then Russia ; afterwards America, and England by the way—and then we shall have peace and quiet in France while Germany pays."—*Notenkraker*.



Joy of his predecessors while Poincaré racks his brains for a new policy.
—*Humanité*

CAPITALISM AT HOME AND ABROAD



Pulling together.—*L'Ordine Nuovo*.



A New Version of the Open Door.—*The New York Call*.

FAMINE RELIEF



ANY CABINET MINISTER: "I regret that it does not concern my Department."—*Notenkraker*.

The World of Labour

	PAGE		PAGE
INTERNATIONAL : West Euro- pean Socialist Conference ..	263	ITALY : The United Front Established	272
INTERNATIONAL : Metal Workers and War	265	SWITZERLAND : Labour Coer- cion	273
DENMARK : Industrial Crisis..	266	UNITED STATES : The Workers' Party	273
EGYPT : A Socialist Mani- festo	267	UNITED STATES : Industrial Organisation and Conditions	274
FRANCE : Trade Union Split..	269		
GERMANY : The Railway Strike	271		

INTERNATIONAL

West European Socialist Conference

ON February 4 in Paris a Conference, convened by the French Socialist Party, of the Socialists in the countries affected by the Treaty of Versailles, met to discuss reconstruction in connection with reparations; it adjourned without arriving at any conclusions because German representatives had been prevented from attending by the railway strike, and the Italian Socialists had decided that the Italian Ministerial crisis required their presence in Italy. The adjourned Conference met at Frankfort on February 25, and was attended by delegates from England, representing the Labour Party, the Independent Labour Party, and the Trades Union Congress; the French Socialist Party; the German Socialist and Independent Socialist Parties and the Communist (Secessionist) Group; and the Belgian and Italian Socialist Parties.

There were also present as guests representatives of the Social Democratic Parties of Austria, Denmark, Holland and Switzerland, and of the Left Socialist Revolutionary Party of Russia.

The Conference was called with the object of finding a common line of action for problems immediately confronting the proletariat of Western and Central Europe. But the Conference was also concerned with preparing the way for a still wider Conference, in which the countries of Eastern and South-Eastern Europe should be represented and also the representatives of the Third International. In connection with this latter point a letter was laid before the Conference from the Executive of the Second International to the

The Labour Monthly

Executive of the Vienna International in reply to a query from the latter as to whether the Second International was prepared to meet the representatives of Moscow. The following is the text of the reply :—

Frankfort-on-Main,
February 26, 1922.

Dear Comrades,—

In reply to your proposal to bring together a general conference of the working-class parties, we have the honour to confirm our adhesion to a preliminary meeting of the three committees of London, Moscow, and Vienna, with the object of examining the possibility of a joint convocation of this Conference.

However, we reserve the right, in the eventual meeting of the three committees, to raise—

(1) The question of Georgia, and the right of peoples to dispose of themselves; and

(2) The question of the liberation of political prisoners.

In any case, it will only be possible for us to meet the representatives of the Third International in a common Conference if, as a result of the meeting of the Executive Committees, we become convinced that all will go to that Conference with the firm intention of adding to the strength of working-class action, and not with the object of lending support to new efforts to create "nuclei," divisions and splits.

It goes without saying that, apart from these reservations concerning the Third International, we adhere to the proposals contained in your manifesto all the more willingly because they coincide with the resolution which we ourselves voted at Brussels in November last.

Whatever may be the outcome of the negotiations with the Executive Committee of Moscow, we are ready to meet you in a Conference which would appeal to all the working-class parties and which would have the agenda proposed in your manifesto.

Fraternal Greetings,

EMILE VANDERVELDE (Belgium), OTTO WELS (Germany), TOM SHAW (Great Britain), ALSING ANDERSEN (Denmark), W. H. VLIEN (Holland), F. W. JOWETT (Great Britain), BEN TILLET (Great Britain), CAMILLE HUYSMANS.

To the Members of the Executive Committee of the Vienna Union.

In relation to the immediate problems connected with reparations and disarmament, divergent views were expressed and committees were appointed to prepare a common policy.

The decisions arrived at, whilst declaring it to be Germany's duty to reconstruct devastated France and Belgium to the extent of her capacity, stipulate measures to solve the problems involved on the following lines :—

(1) The adoption of a system of reparations in kind and in labour wherever it can be applied.

(2) The creation by all the Governments concerned of an international organisation for the reconstruction of the devastated areas.

The World of Labour

(3) The cancellation of the burdens which have been imposed upon Germany under the heading of military pensions and separation allowances, contrary to the fourteen points of President Wilson, which had been mutually accepted as the basis for the armistice.

(4) The general cancellation of the inter-Allied debts arising out of the war.

(5) Credits to the countries which are at present incapable of buying and of producing, e.g., Russia, Austria, etc., of foodstuffs, machinery, and means of transportation, which are indispensable to them in order to fight famine and reconstruct their industry.

(6) The creation of an international organisation for reconstruction and credit in order—

(a) To assure to the devastated countries advances of the sums which are indispensable for their restoration;

(b) To assist the countries ravaged by famine and enable them to re-enter the economic community of the nations;

(c) To internationalise the payment of pensions to the victims of the war, within the limits of possibility.

(7) The submission to impartial arbitration of all points arising out of this plan of reconstruction which give rise to disputes.

The Conference declared its solidarity with the anti-war resolution of the International Metal Workers' Congress. It further advocated that the Governments of those countries possessing powerful Socialist and Labour organisations should include in their plenipotentiaries for the Genoa Conference delegates from these organisations.

Metal Workers and War

AT Vienna, on January 28, the International Congress of the Metal Workers met; it again reaffirmed its attitude towards war and armaments, and decided to formulate an anti-war resolution to be submitted to the Congress of the International Federation of Trade Unions, which is to meet at Rome on April 23. The resolution runs:—

1. Wars to be prevented by the general strike.

2. Organisations affiliated to the International Trade Union Federation to be called upon as soon as possible to declare as binding for all their members the following decrees by resolutions of conferences or by referendum:

(a) The members of the Trade Unions belonging to the International Trade Federations and the International Trade Union Federation, sitting at Amsterdam, have, in case of war, to cease work, and thereby to render any war impossible.

(b) The national organisations and the international trade organisations have, in all regions, to try and gain the control of arms and munitions production of all kinds for military or civil use; to limit this production, and, whenever possible, to reduce it to the minimum requirements for civil use.

The Labour Monthly

(c) For the realisation of resolutions (a) and (b) an international committee has been set up, which is to ordain further executive measures, as well as to decide in each special case whether work has to be struck or not.

(d) If possible, all trade organisations and the headquarters of the Trade Union Federation are to be represented on this Committee.

It is significant that a few days before the Congress met which passed this resolution, the Vienna *Rote Fahne* issued a report on the quantity of war material manufactured in Austria and dispatched to various countries [in Austria, it is stated, all the metal workers are Trade Unionists]. The war materials included a dispatch on January 18 of 10 carloads of 10cm. guns to Laibach (Jugo-Slavia); on the same day 8 carloads of 15cm. fuses to Esseg (Jugo-Slavia); on January 6 10 carloads of mounted brass fuses to Czecho-Slovakia, evidently for transit to Rumania or Poland, so that their employment against Soviet Russia is to be expected. On January 25 10 carloads of 15cm. fuses to Laibach and 10 carloads of gun spring-capsules (10mm.) to the same place.

The Congress was attended by representatives of all countries affiliated to the Metal Workers' International; America and Spain are not at present affiliated, whilst only a minority of the British metal workers are included, and the Russian Metal Workers' Union has been informed by the I.F.T.U. that it should disaffiliate from the Red Trade Union International if it desires to retain affiliation to the International. Opinion was unanimous on the anti-war resolution, with the exception of the representative from Jugo-Slavia, who voted against the general strike to prevent war. His attitude has been indignantly repudiated by the Metal Workers' Union in Jugo-Slavia, which declares that he retains his secretaryship because of the police rule in that country, and that he received no mandate to go to the Congress.

DENMARK

Industrial Crisis

UNEMPLOYMENT has been greatly on the increase in Denmark during the past months, and the latest report estimates the figure to be about 100,000. Despite this situation, the Employers' Association has been carrying on an active campaign for the abolition of the eight-hour day. Matters reached a crisis by the lock-out of 170,000 workers on February 14, arising from the breakdown in negotiations between the Trade Union Federation and the Employers' Association, which latter demanded an immediate 20 per cent. reduction in wages, and further wage rates on a sliding scale in accordance with the official cost of living figures, in addition to a longer working day. The official Trade Union representatives, in an

The World of Labour

effort to ward off the threatened lock-out, took a ballot of the Trade Unions asking them to agree to a compromise put forward by the Government; this, however, was turned down by 22 Unions out of 25. The chief provisions of this proposal were:—(1) The retention of the eight-hour day for one year; negotiations to be set on foot at once to introduce a longer working day for workers on short time in winter months (builders, etc.); the eight-hour day is not to apply to supervisory categories and watchmen; (2) the first two hours of overtime to be paid at time-and-a-quarter rates, if put in before regular working hours; (3) all wages to be reduced by 15 per cent., and from August 15 the sliding scale to operate.

The lock-out was answered by a general strike on the part of the day labourers. The chief industries affected comprise: iron and metal (excepting workers in the telegraph and telephone, tramway, gas and electricity works), textiles, shoemaking, bricks and cement, building, soap and oils, chocolate and sweet factories, clothing, paper, and a large percentage of dock workers.

An aggravation of the situation in Denmark has been that the conditions of unemployment insurance pay have been revised by Act of Parliament, which came into force on January 1. This revision of the 1919 Unemployment Act stipulates that (1) unemployment benefit shall not exceed two-thirds of the normal wage; four kroner for those with dependants, and not less than one krone for unemployed without dependants; (2) those who refuse employment shall not be deemed entitled to benefit; (3) the fact that the wages offered for any job are less than the person previously earned is no ground for rejection of work; (4) State-aided unemployment societies shall receive no help for those involved in a strike or lock-out. The Act links up unemployment insurance with employment bureaux and relief works, for which work the daily wage is stipulated not to exceed three kroner. It introduces a system of coercion against which the Federation of Trade Unions, including 280,000 organised workers, has already protested in vain, pointing out that it involved an attempt to destroy wage scales and agreements. Its effects should be doubly disastrous as a result of the lock-out of the majority of Danish Trade Unionists.

EGYPT

A Socialist Manifesto

THE Egyptian Socialist Party has issued the following manifesto "to the Manual and Brain Workers of the World":

The brutal and aggressive tone in which the British militarists and Colonial officials have replied to the sacred demands of the Egyptian people has opened the eyes of the most naive and credulous among us.

The Labour Monthly

The veil has been torn aside, and the hideous features of our oppressors have been revealed in all their ugliness.

With pride and dignity we hurl back the defiance thrown in the face of the Egyptian people by the British militarists and imperialists. Forty years of foreign occupation, with all its militarist terrorism and its arbitrary laws of persecution, have not been able to weaken for a single instant our firm resolution to fight and to make all the necessary sacrifices to win our independence.

1919 demonstrated to the world and to our oppressors the vitality of our people, which did not recoil before any menace to proclaim on high its right to national life and liberty. It is not by diplomatic steps and negotiations between Ministers or delegations which do not represent the wishes of the people that independence can be obtained. Only the conscious and organised workers and peasants can win it.

The Socialist ideal, which is the expression of the renaissance of the peoples of the world, has appeared in Egyptian political life. The Egyptian Socialist Party will place itself in the vanguard and in the first ranks of battle to demand our right to complete national independence, freed from all imperialist and capitalist enslavement, both domestic and foreign.

The Egyptian Socialist Party, standard-bearer of the proletariat and party of the class struggle, declares that in the union of the entire Egyptian people in its supreme fight against the oppressive power of British imperialism, it will maintain integrally its Socialist programme and will not renounce its struggle against the Egyptian capitalist tyrants and oppressors, accomplices and associates of the tyrannic foreign domination.

The Egyptian intellectual proletariat will cease all collaboration of whatever nature it may be, with our oppressors, and whoever will adopt a contrary attitude will be a traitor to the higher interests of the people and of the holy national cause.

The Egyptian proletarian workers and peasants extend a fraternal hand to the world proletariat and particularly to the proletariat of Great Britain, so that together they may rise to the assault on the imperialist citadel, which under its weight suffocates not only the enslaved peoples of the Orient, but also pitilessly exploits all the labouring and producing masses of Europe. The peoples of the Orient count on the assistance and support of the world proletariat in their struggle against the common enemy.

The struggle on the part of the peoples of the Orient to win independence is also a struggle bearing a clear Socialist character. The world proletariat is enslaved and exploited by the same enemy—rapacious Capitalism.

Let the diplomats plot and intrigue and betray the interests of the masses. We, the proletariat, are ready for a long and bitter struggle, are forming our battle lines, are organising our forces in the Trade Unions and are bringing together the workers of the city and the country. Let the intellectuals go to the peasants to create a united political and economic front, which will at the same time act as a counter-balance to the influence of the bourgeoisie.

The World of Labour

Without hesitation and without fear let us group ourselves around the banner of the International for the final struggle against our enemy, British imperialism, which is to-day the highest expression of world Capitalism. On the victory of Socialism and on the seizure of power by the proletariat depend the independence and emancipation of the peoples of the Orient. And by the indissoluble union of the workers of the West and of the East we will vanquish our common enemy—capitalist imperialism.

Long live independent Egypt!

Long live the International of the Workers!

Long live the Social Revolution!

THE EGYPTIAN SOCIALIST PARTY.

Cairo, December 22, 1921.

FRANCE

Trade Union Split

THE long-threatened split in the French Trade Union movement has finally been consummated; two distinct central organisations are now in existence, the Confédération Générale du Travail of Jouhaux, and the Confédération du Travail Unitaire, which was formed by the Comité Syndicale Revolutionnaire at its Congress in Paris, December, 1921 (see *LABOUR MONTHLY*, January, 1922).

At the Conference of the Confederal Committee of the C.G.T., which met in Paris on February 12 (from which all members of the Left were excluded), the proposal of calling a Unity Conference of all sections in accordance with the wishes of the Left-Wing Conference of December 22, was defeated by 87 votes to 8. In a long manifesto the C.G.T. declared that: "A complete split has now taken place in the workers' organisation. . . . In violation of the statutes a section of the organisation held a congress which formed a second C.G.T. with confederal secretaries, administrative committee, special centre and cards and stamps of its own. This signalises a desired and organised split. It is the dismemberment of the working-class forces at a time when all the forces of world reaction are combining against the proletariat.

"The National Executive Committee puts all responsibility on the organisers of the C.G.T.U. for this grave error and crime against the working class."

The Conference then expressed the intention of holding a Congress for the purpose of revising the statutes and deciding on its future course of action.

In view of this refusal of the official element to hold any form of general Conference the Provisional Committee of the C.G.T.U. met

The Labour Monthly

on February 16 and declared itself a National body, announcing its intention of convening a Congress not later than July 1, to ratify its position. The resolution passed is as follows; and since it lays down to a certain extent the policy of this new body we print it verbatim:—

C.G.T.U. RESOLUTION, FEBRUARY 16, 1922.

Confronted with the definite desire for secession, affirmed by the voting of the irregular National Confederal Executive of rue Lafayette, which was 87 to 8, 2 abstentions and 5 not present, the Unity C.G.T. notes this decision, and calls on all the French proletariat, without distinction of policy, to judge for themselves.

In accordance with the mandate given by the Unity Congress of December 22-24, 1921, and before all the Trade Unionists of the country, the Executive Committee of the C.G.T.U. gives a solemn undertaking to convoke a Congress, as soon as circumstances permit, and not later than July 1, to reconstruct the unity of the French working class.

The decision of the National Confederal Committee has compelled the C.G.T.U. to throw aside the reserve voluntarily imposed, so that from yesterday it has automatically become a definite national body whose existence Congress must ratify and sanction.

In this position it intends to rise to the heights of its new responsibilities and the present situation.

Consequently, the provisional Executive Committee considers it to be its duty to prepare now its programme of action, to be submitted for approval to the next Congress.

The Executive Committee, to conform with the present situation and its new duties, shoulders the responsibility to take part in the class struggle, now faced by all the unfavourable forces determined to perpetuate the enslavement of the workers, and will answer for its actions at the coming Congress.

It further intends to establish its position, both economically and socially, nationally and internationally, in view of its task to attain unity, and in preparation for the important rôle which the situation entails.

For the accomplishment of this great task, the Executive Committee requests all Federations, Departmental Unions, and Trade Unions to lose no time in concentrating on a regrouping, which henceforth will not be thwarted.

The National Confederal Committee, by its unspeakable act, has shown too clearly on whom the responsibility for this split lies, and who has sanctioned it; now the Executive Committee again appeals to those Unions, which left their decision in abeyance, to link up with the C.G.T.U., the only organisation entrusted with the duty of preserving the unity of the French workers' movement.

The C.G.T.U. avows its adhesion to the Charter of Amiens and declares its intention of putting the workers' movement above all parties and sects, just as it intends to maintain the natural non-political grouping of all workers, to whom it guarantees in advance and unreservedly full liberty of discussion and expression of opinion.

The World of Labour

The C.G.T.U., in accordance with the principles and traditions of the French working-class movement, will hold aloft the banner of the class struggle, reject all dishonourable compromises and disgraceful capitulations which have branded Confederal action during the past seven years.

Trade Unionism has now regained its glorious path, which it will not quit again. The tradition of revolutionary Trade Unionism, interrupted during the period of 1914-1922, is henceforth resumed.

In its march towards its destiny and the realisation of its historic mission, Trade Unionism, now reorganised, calls you to action, and through action to the realisation of your legitimate hopes.

Comrades! Rally to the C.G.T.U.!

Long live uncompromising Unity!

THE PROVISIONAL EXECUTIVE COMMITTEE.

GERMANY

The Railway Strike

LOCAL railway strikes throughout Germany during the month of January were centralised on February 1, when the German Union of Railway Employees (drivers, firemen and clerks), numbering about 200,000, declared in favour of a general strike. The railway workers had been negotiating with the Government for the past year on the question of hours and wages and had been repeatedly put off by promises and semi-concessions. Matters were brought to a head by the proposed law to regulate the working day on the railways, scrapping the eight-hour day, and aiming at a regular twelve-hour working day. Other matters, such as the possibility of night duty on seven consecutive nights, a regulation stipulating that certain periods of liability for duty should be regarded as rest periods, and 20 to 33½ per cent. of that time estimated as working hours, added to the general discontent. The pay of the railway workers, especially of the lower categories, is totally inadequate to meet the high cost of living; the highest salary of Class A is 1,850 marks a month, whilst married railway workers of Class III. receive as little as 1,300 marks monthly. Needless to say any attack on these wages would in itself suffice to bring about a strike. But not only were conditions to be made worse; but it was stated that, to complete the campaign of making the railways pay, in the opinion of big business, 20,000 or 30,000 workers were to be dismissed, and, if needs be, the whole system mortgaged to private business.

The General Federation of Trade Unions (A.D.G.B.) condemned the strike from the outset, and entered into collusion with the Government and strike-breaking organisations to frustrate it. President Ebert proclaimed the strike, and three principal leaders were arrested, and the funds of the Union impounded.

Despite the attitude of the A.D.G.B., the members of the German

The Labour Monthly

Railwaymen's Federation (the general Union of railwaymen in Germany, which is affiliated to the A.D.G.B., and numbers 417,000 members) declared their sympathy with the strikers on February 3 by an overwhelming vote of 500 to 2. Nevertheless, no action was taken. On the other hand, action was taken by the Berlin municipal workers, who came out on strike in sympathy after a ballot, which showed 49,063 to 2,153 in favour of sympathetic action. Support was also given by other sections, including members of the postal and telegraph workers; but the active opposition of the official Trade Union organisations and of the State prevented the issue, which affected the German workers generally, from being taken up.

On February 8 the strike was called off on the basis of a settlement, which comprised the following terms:—

(1) A basic rise in wages; (2) no extension of hours without consent of the Trade Unions; (3) no dismissals or victimisation. Already the latter undertaking has been scrapped, and 30,000 of the strikers have been victimised—the figure suggested before the strike by the economy mongers. Whether the other promises will be equally valueless remains to be seen. The German Railwaymen's Federation has issued a protest against the Government's breach of faith and threatens renewal of the strike should victimisation not be rescinded.

ITALY

The United Front Established

AT Rome on February 19-21 representatives from the Italian Confederation of Labour (C.G.L.), Italian Syndicalist Union (U.S.I.), Italian Labour Union, Railway Union and National Federation of Dock Workers met in Conference to discuss the organisation of a united Labour front against capitalist aggression. The Railway Union took the initiative in convoking this Conference, which resulted in the formation of a Labour Alliance, whose Executive Committee comprises five representatives of the C.G.L. and two from each of the other bodies represented at the Conference. This constitution of the Executive is said to allot the majority to the Right-Wing Trade Unionists, yet *L'Ordine Nuovo*, the organ of the Communist Party, welcomes the Alliance, such as it is, as a progressive move. Besides, this new body has united within its ranks the two rival Union organisations, the C.G.L. and the U.S.I., the latter being a secession organisation formed after the C.G.L. Congress at Modena in 1911 by the Syndicalists, who rejected the reformist tactics of the C.G.L. The work of the newly-formed Labour Alliance will comprise the co-ordination of working-class activities, whilst its programme advocates the use of all industrial weapons, including the general strike, in the fight against reaction.

The World of Labour

SWITZERLAND

Labour Coercion

THE proposed extraordinary Congress of the Swiss Trade Union Federation, announced for January 13, to deal principally with the unemployment situation, the attack on wages and the eight-hour day was postponed by the Trade Union Executive. The situation of Labour was never so critical as at the present time, for, coupled with the enormous increase in unemployment (in December, 1920, there were 17,624 unemployed; in December, 1921, 47,364), there is the systematic attack on the eight-hour day and the movement to establish a fifty-four to sixty-hour week, as proposed by a peasant farmer deputy in Parliament. Already a fifty-two hour week has been sanctioned in the case of about 60,000 workers. Further, a law designated as the "Häberlin Law" has been passed by the Federal Council by 111 to 39 votes, which not only empowers the abolition of the eight-hour day and the right of organisation, but catalogues all strikes as subversive to the State and the instigators as punishable by imprisonment. Article 47 of this law is the most arbitrary and runs:—

"All those who incite, threaten or publicly avow belief in the overthrow of our political order by violence, or threaten the public safety of the State or the Cantons, be it by words, writings or pictures either within the country or abroad, or undertake any activity which avowedly tends to the violent overthrow of the system, will be subject to imprisonment.

"Should these incitements, threats or propaganda be circulated amongst officials, employees or workers of the Federation of Cantons, the National Bank, transport or essential industries, the term of imprisonment will not be less than six months."

Instead of fighting these violent attacks on the life and liberty of the workers, the Trade Unions are dominated by internal disagreements as to whether Communists should be expelled from their organisations. The metal workers at their extraordinary Congress, December 15-17, decided by 165 to 36 votes to expel six Communist metal workers; this act has given rise to a controversy on the lines of that prevailing in France. A split in the central organisation is thought to be imminent.

UNITED STATES

The Workers' Party

THE Workers' Party of America came into being at its first National Convention in New York City, December 23-26, 1921. The Convention was convened by the American Labour Alliance and its affiliated organisations, the Workers' Council of the United States, the Jewish Socialist Federation, and the Arbeiter-

The Labour Monthly

Bildungs-Verein (Workers' Educational Society), for the purpose of building "an organisation that will not only valiantly defend the workers, but will also wage an aggressive struggle for the abolition of Capitalism." About two hundred delegates attended this Unity Convention, and it is estimated that the party to begin with numbers 25,000 members, composed mainly of those who had been expelled from, or who had voluntarily left, the Socialist Party during the past two years. The avowed purpose of the party is laid down in its constitution as an organisation "to educate and organise the working class for the abolition of Capitalism through the establishment of the Workers' Republic." It declares its intention of working in harmony with the Third International and Communist Parties in other countries. The party will also collaborate with Labour in its daily struggles, and advocates organisation of the Unions on industrial lines, whilst warning against expulsions. The party programme sums up its attitude to existing Labour organisations thus: "Within all Trade Unions and Industrial Unions the Workers' Party will organise and promote revolutionary groups, and will help to crystallise around such groups large blocks of sympathetic workers, growing in understanding. The party will supply these groups with literature, information, instruction as to methods, and so endeavour to co-ordinate the entire Left Wing of the American Labour movement within the existing Unions."

Another move in political organisation is the development of a new stage in the plan to form a Labour Party more or less on the lines of the British Labour Party. The initiative in this attempt was taken by the representatives of the sixteen standard railway Unions, which issued invitations to all "progressives" and to the Socialist Party to attend a Conference at Chicago on February 20.

Industrial Organisation and Conditions

A body called the United Labour Council of America was formed at a Convention of independent Trade Unions in New York, February 7. One hundred delegates attended, representing fifty Unions with a membership of 150,000; these were mostly Unions which had either withdrawn or been expelled from the American Federation of Labour. The chief task this new group intends to undertake is the formation of Industrial Unions out of the various small independent "locals" not organised within the ranks of the A.F. of L., with the ultimate objective of the reorganisation of all Labour on industrial lines. Many small Unions have been smashed by the strong capitalist combines, which have caused a general reduction in Trade Union membership, hence the necessity of some central organisation. The new organisation has applied for affiliation to the Red Trade Union International.

The World of Labour

Already, early in December, individual Unions made a move towards industrial Unionism, notably the textile Unions, which formed the Federated Textile Union of America. This organisation, with an estimated membership of 150,000, includes seven Unions not organised in the United Textile Workers' Union, which is affiliated to the A.F. of L.

Organisation is not restricted to those in employment, for the New York Unemployment Council has launched a campaign to centralise the organisation of all the unemployed. At a meeting early in February a committee of twenty-one was selected to take control of affairs. The meeting expressed its complete solidarity with organised Labour, and its determination to support it in all its efforts to fight "scabbery" on the part of the unemployed; in return for which organised Labour was exhorted to fight against overtime at regular pay, and the prolongation of the working day. Unemployment was reported to be at its maximum in January, according to the United States Employment Bureau, and the statistics show a decrease in employment in forty cities out of sixty-five surveyed: in Denver employment decreased by 43.7 per cent.; in Johnstown, 14.1 per cent.; whilst New York showed a decrease of 1.8 per cent.; and Boston, 0.37 per cent. Unemployment increases are registered mostly amongst those engaged in making machinery, such as farm implements, engines, automobiles, the percentage varying from 65.8 to 35.7; part-time is fairly general in all trades.

Reductions in wages began to be most marked at the beginning of 1921; a survey, made by the National Industrial Conference Board, into conditions prevailing in twenty-six chief industries proves that: (1) Average weekly wages in July, 1921, were 23.2 per cent. lower than in July, 1920, when they reached their highest figure of 29.81 dollars; (2) the purchasing power of wages in June, 1921, was 5.2 per cent. less than in October, 1920; (3) average earnings in July, 1921, were 85 per cent. higher than in 1914, but hourly earnings for the same period showed an increase of 114 per cent., thus indicating the increase in part-time employment.

BOOK REVIEWS

THE PATHOLOGY OF IMPERIALISM

The Revision of the Treaty. By J. Maynard Keynes, C.B. Macmillan and Co. 7s. 6d. net.

ONE who has sat at the feet of Gamaliel will be prone to admire the works of Gamaliel. One who has moved in recent years in circles at Cambridge, of which Mr. Maynard Keynes has been the intellectual leader, cannot fail to admire the acuteness of that intellect and the mathematical precision of its ruthless analyses. When these qualities are combined with a literary style of much beauty and simplicity, lightened here and there by wit of surpassing brilliance, he is an unappreciative fool who does not characterise the work as a work of genius. Such on its purely economic side is this sequel to *The Economic Consequences of the Peace*. At the same time one's admiration for the good qualities of the work will, perhaps, tend to throw into relief, rather than blind one to, the book's deficiencies. These are mainly deficiencies of omission, and of a sociological rather than a strictly economic character. One omission the Socialist will especially notice. At the mention of Marx it is Mr. Keynes' custom, impelled by an unconscious rather than a conscious prompting, to clap his intellectual telescope to his blind eye.

The major part of the book consists of economic and statistical analysis; and there is more of this than in the former work. This part of the book could hardly be bettered. Facts and figures are set forth concisely; intricate analyses are conducted with admirable lucidity; critics of *The Economic Consequences* are disposed of effectually with a few well-chosen words, which usually carry with them the derisive touch of sardonic humour. The *Times* in particular receives the merited chastisement of several well-aimed rapier thrusts. A mere chronicle of events subsequent to the publication of *The Economic Consequences* is usually sufficient to involve the discomfiture of critics of that work.

The first chapters consist of an historical account of events from the Treaty of Versailles to the Wiesbaden Agreement. Mr. Keynes estimates that the Reparation Settlement arranged at the London Conference would necessitate taxation in Germany to the extent of 43 per cent. of the annual income. This would leave an income

Book Reviews

per head of the population of 2,830 paper marks out of 5,000 marks, 6d. a day! "Would the whips and scorpions of any Government this being equivalent in exchange value to £7 (gold) or less than recorded in history," comments Mr. Keynes, "have been efficient to extract nearly half their income from a people so situated?" At any rate, the result of such a policy would be that "the struggle ceases to be primarily one between the Allies and the German Government and becomes a struggle between different sections and classes of Germans."

As regards America: either she must lend \$2,000 million a year to Europe, to make up for her excess of exports over imports; or else she must export less and buy more. The former involves the approaching bankruptcy of Europe and her enslavement to the lords of Wall Street. The latter will hit the interests of American exporters, and will involve a considerable lowering of the standard of life of the whole European continent. Mr. Keynes' "excursus" on the mark exchange is perhaps the most compact and lucid summary of that complex phenomenon yet produced. The fluctuations of the exchange face Germany with a dilemma of far-reaching social consequences:

If the present exchange depreciation persists and the internal price level becomes adjusted to it, the resulting redistribution of wealth between different classes of the community will amount to a social catastrophe. If, on the other hand, there is a recovery in the exchange, the cessation of the existing artificial stimulus to industry . . . may lead to a financial catastrophe.

Such are a few of the stupendous social instabilities of world capitalism to-day!

To compare the sequel with the previous volume is interesting. There are in the later work few traces of that liberal idealism which shone through the former. Moral indignation is scarce; appeals to capitalist self-interest are more frequent than to a sense of justice and mercy; the book does not close with a quotation from Hardy and an appeal to the idealism of the young to rebuild a world in ruins. Mr. Keynes has now the touch of a somewhat cynical realist. In fact, he displays now and again a veritable Machiavellian cunning—a cunning that would make him a dangerous foe of the working class were his wise counsels to gain the ear of the master class.

But Mr. Keynes fails to consider whether the Imperialist policies, so suicidal from a collective point of view, are, after all, the outcome *merely* of the stupidity of politicians; whether these policies are not rather the direct product of the economic interests of particu-

The Labour Monthly

lar capitalist groups, these interests being rooted in the very economic system which Mr. Keynes would reconstruct. If this be so, the social instabilities which he analyses cannot be cured by a mere "making wise the simple." They cannot be cured short of much more fundamental economic and social changes.

The neglect of this profound consideration is most evident in the final chapter on "The Settlement of Europe." In this three pre-requisites of the reconstruction of Europe are laid down: Cancellation of inter-Allied indebtedness; reduction of Germany's payments to France and Belgium to 1,260 million gold marks (£63 million) per annum for 30 years; Britain to forego her share of reparation (1,000 million gold marks), and grant it as credits to Poland and Austria. That is all! In addition, a mere pious hope that the Bourse and the Quai d'Orsay may "forget (their) dangerous ambition in Central Europe and limit strictly those in the Near East."

Again, Mr. Keynes neglects to consider the reactions that a universal reduction of the workers' standard of life and the strengthening of capitalist control of industry and politics, which are necessary to his reconstruction policy, would have on the psychology of the wage-earning class, *so long as existing economic and social class-relationships remain*. If the result is to intensify the psychology of revolt and discontent, then that way lies not in reconstruction but cumulative disruption.

Neglected, too, is the political reaction which the reconstruction of capitalist power, involving the dominance of the Stinnes and the Thyssens and the Vanderbilts, will have on the imperialist struggle for control of vital economic resources. Neglected are the potentialities of conflict latent in the tendencies to the dominance of Europe by Wall Street finance. A cancellation of the debt will not alone obviate this danger; and Europe may well prove a second Mexico or a second China to America. All these are elements of instability, deep-rooted in the existing economic balance of power. In the social application of his analysis Mr. Keynes is as disappointing as in the economic analysis itself his treatment is masterly.

In fact, civilisation needs the wisdom of a greater Keynes to save it; one who will combine that philosophic detachment, that acuteness of perception, that subtlety of intellectual analysis, with an appreciation of the new social conceptions introduced by the realist "doctrinaires" of Russia. That one will write *The Revision of the Treaty* in a more comprehensive synthesis; and will write across its title-page: "The Social Revolution: a Sequel to Capitalism in Collapse."

M. H. D.

Book Reviews

THE DIAGNOSIS OF IMPERIALISM

The Foundations of Imperialist Policy. By Michel Pavlovitch.

The Workers' Library: Second Series. Labour Publishing Company. 3s. 6d.

THE Labour Publishing Company, in making available in English Michel Pavlovitch's invaluable little studies in Imperialism as prepared for and presented to the Staff College of the Red Army, has rendered a signal service to all sections of the working-class movement in this country. The work is, of course, by no means exhaustive, being a series of lectures rather than a learned treatise, and delivered by a man of action preoccupied of necessity with the crying needs of a period of positive effort and constructive application of his theories. It is, however, quite apparent that Pavlovitch is a man of wide reading, familiar not only with the literature of his subject, but who has observed Capitalism in actual operation and on the spot, and not merely in books and from afar.

The main thesis of his studies is the analysis and criticism of the theories of imperialism, advanced by three scholars of Marxism, viz. : Kautsky, Hilferding and Lenin. Before approaching these, however, he examines with a light but capable touch the more orthodox theories, philosophical and historical, by which Seyère and Ferrero endeavour to explain phenomena which they regard as imperialist. Pavlovitch, however, narrows down his definition of imperialism within such restricted limits—in my opinion, far too restricted limits—that he will not allow it to cover the expansionist policy even of Britain or of Holland in the seventeenth and eighteenth centuries, let alone of Cæsarian Rome or Athens in the Age of Pericles. He dates the beginnings of imperialism from the "eighties" of the last century, when Rhodes and Chamberlain were building up the African Empire of England. He does not mention the masterly work of Boudin, who, in "Socialism and War," has developed the same theory of this phase of imperialism as being "the policy of Syndicalist (syndicated?) metallurgical Capitalism." This theory is, evidently and naturally, a spontaneous conclusion, at which have arrived those Marxists who have been investigating the phenomena of Capitalism alike in the United States, in Great Britain and on the European Continent. It is a view which could not escape us, if we were handling in our researches and everywhere applying the theory of historical materialism, with its insistence on the tool and the machine basis of the social and political superstructure which is one of the fundamentals of Marxism.

The Labour Monthly

However, when Pavlovitch turns to examine the studies of Kautsky, Hilferding and Lenin, one cannot but feel that he is a little less than just to Kautsky and Hilferding. This is, perhaps, only to be expected, since disgust with their social quietism and opportunism must inevitably tend to prejudice Communists against the work of these men in other directions. "Faith without works is dead."

Kautsky says of imperialism that "it consists in the endeavour of every industrial capitalist nation to subject and to annex a greater and greater number of agrarian districts, no matter to what nationality the agrarian districts might belong." That theory, inadequate to explain the World War and the Treaties of Brest and Versailles, does, in my judgment, fit the facts of British and, to some extent, of French expansion during the greater part of the nineteenth century. It seems admirably to epitomise the relations of the British investing class with South America, their attitude to Egypt, South Africa and North America. If it did not happen that Britain was involved in war this was due to the fact that there was as yet no other industrialist State to dispute her upon the agrarian markets. It does not alter the fact that Britain's policy was imperialist.

But Capitalism has evolved, moving by geometric progression. Moreover, its evolution has not been along identical lines in all countries. So, from Kautsky we come to Hilferding. The latter holds that imperialism is "the policy of finance capital." This does not fit the facts of Great Britain, the land of classic and competitive industrial Capitalism, but it does fit the facts of France, since 1875, of Germany, Austria, Hungary, Italy, and Belgium under the regimen of the German great banks, the *crédits mobiliers* and subsidiary institutions. This form of Capitalism has, however, for technical and political reasons, given rise to what Lenin calls "monopolist Capitalism." This form, wherein the British type and the Continental type meet and fuse in a more complex organisation of industry, trade and finance, is the form which, in the nature of things, is deploying for the systematic exploitation of the most backward countries, such countries as Russia, Turkey, India and China.

Pavlovitch is at a disadvantage. It is in Britain, in Holland, or in the Atlantic States of the U.S.A. that Capitalism can be most satisfactorily observed against a historic background whereon its several forms and phases assume their correct perspective. As a student he is at a disadvantage, but as a revolutionary antagonist of Capitalism, as a builder of the new economy of Communism, he has the advantage of being mentally free from the traditions of these decadent social systems, free from the toils and trammels of habit that clog our initiative in this classic land of individualist and com-

Book Reviews

petitive economy. In reading his lectures, thus placed at our disposal in this ready and attractive form, we should remember these things and judge accordingly.

J. T. W. N.

HOW AMERICAN CAPITAL WORKS.

The Great Steel Strike and Its Lessons. By William Z. Foster.
C. W. Daniel. 7s. 6d.

THIS book by Mr. Foster deals with the recent attempt to organise the steel workers of the U.S.A. It depicts in a graphic way the struggle of this class of American workpeople for a recognition of the elementary principles for which Trade Unionism stands.

Here in the Old Country the demand for recognition has long since been conceded; our claim now is for a higher status for Labour, and a due measure of dignity and responsibility which will happily flow from it.

There in America, where industry and commerce, where mechanical inventions and labour-saving appliances, where theories for eliminating processes and for standardising output have reached the highest pitch, we find, side by side with all this applied science in manufacture, a great refusal to accord acceptance of the practice of collective bargaining or a granting of the right of the workpeople to join combinations for mutual protection and benefit.

It seems as though the American mind stops short when it has combined and trustified Capital into close corporation and is faced with the child of its own begetting, when Labour begins to move along the same road. And so we find that 500,000 men in the steel industries of the United States are working 12 hours a day and in many cases 7 days a week. These men are denied the right of collective bargaining, and there is no machinery for the adjustment of grievances.

For the past thirty years the steelworkers have suffered an unbroken series of defeats in their efforts to obtain better working conditions. Previously some organisations did obtain the right to state their views, but Mr. Carnegie, who obtained fame in this country by his gifts of "free libraries," was successful in the "Homestead Strike" in practically eliminating organised Labour from the steel mills.

In 1901, about the time of the organisation, the United States Steel Corporation, the Amalgamated Association of Iron, Steel and Tin Workers, which had retained a slight hold on the industry, attempted to negotiate an agreement; but the plan failed, a strike

The Labour Monthly

resulted, and was lost. From that time until 1918 the steel workers appear to have been left absolutely at the mercy of their employers. At the outbreak of the war they were, with few exceptions, working for a lesser standard of living than before the Homestead Strike, in spite of the enormously increased output of the industry, which seems to prove that without a powerful organisation of the workers to watch their interests and to force improved conditions, Capitalism will see to it that the workers do not receive any advantage from increased production.

Mr. Foster offers the opinion that the war and the consequent necessity of maintaining the full working of the steel industry offered a favourable opportunity to organise the workers engaged in this industry, and expresses his very keen regrets that the Trade Union movement did not take full advantage of this position.

It was not until April, 1918, that a start was made by the Chicago Federation of Labour by calling upon the American Federation of Labour to convene a conference, with the idea of starting a national campaign to organise the steel workers. In August, 1918, the National Committee for organising the iron and steel workers was established consisting of representatives from some 24 international Unions.

If the plan outlined by the author had been given effect to, no doubt better results would have been achieved, and the steel workers of the United States would at least have gained the right of recognition of their Unions and its representatives; but apparently the Trade Union movement in America is just as much tied up with machinery which hinders instead of assists action as the movement in this country.

Mr. Foster expresses his approval of federating the Unions for organising purposes. This one can fully appreciate, in view of the circumstances. But why, when the steel workers were organised, should they be handed over, according to their occupation, to one of the 24 Unions? Although the National Committee had control for that particular time, there was no guarantee that such a body was to remain in existence; and as soon as the National Committee was disbanded what was there to ensure the continued solidarity of the steel workers? However, when one realises that the workers in the steel industry of the United States represent anything up to 50 nationalities, and that any attempt to reach the majority by printed matter had to be printed in at least seven different languages, one can realise the tremendous difficulties of the task. That the National Committee succeeded so well as to be able to persuade 350,000 of the 500,000 men

Book Reviews

working in the steel industry to down tools, and to try to enforce rights that are conceded to all other workers in America, speaks volumes for the grit and determination of the men who carried on such a campaign. This is more especially realised when one considers that, in the majority of places, they were prohibited from holding meetings, and had to force their rights in the teeth of the opposition of the various authorities, all or most of whom appeared to be under the influence of the United States Steel Corporation.

When Mr. Foster calls for the co-operation of miners and railwaymen in the next effort to free the steel workers from their bondage of slavery, one can wholeheartedly endorse; but when, in his conclusion, he criticises the propagandists who advocate the "One Big Union" or class organisation against the forces of Capitalism, he appears to lay himself open to the reply that Craft Unionism is admittedly out of date, and that industrial Unionism, in so far as it has been attempted, has failed to achieve any better results (witness the miners' strike, 1921), and that in this country, unless the New General Council can evolve a scheme of co-operation that will give the necessary assistance and support, not only to the large, but to the lesser industrial organisations, those advocating working-class organisation, as distinct from sectional, would appear to make the strongest appeal to the workers.

W. H. H.

Towards International Understanding

Men and Women of goodwill who believe
in the possibility of a new way of life for
all peoples should read

3^D Foreign Affairs 3^D Affairs

(Edited by E. D. MOREL)

Write for Specimen Copy to Union of Democratic Control,
Orchard House, Great Smith Street, Westminster, London, S.W.

Annual Subscription, 3/6. Outside Europe, 5/-, post free. Single
copies, 3d.

The March

P L E B S

Organ of the National Council of Labour Colleges

contains a note on Professor Soddy's recent criticism of
Marxian economics, by *L. B. Boudin*; a review of
H. J. Laski's "Karl Marx," by *R. W. Postgate*; a reply
to Gerald Gould's criticisms (in the "*Daily Herald*")
of the Plebs Psychology Textbook, by *T. A. Jackson*;
a note on the Psychology Textbook, by *A. G. Tansley*;
"Geographical Footnotes to Current History" (with
maps) by *J. F. Horrabin*; and other articles, reviews,
Notes for Students, etc., etc.

6d. monthly. Postpaid, 7d. Six months, 3s. 6d.

PLEBS, 112 Penywern Road, London, S.W.5

THE LABOUR MONTHLY

A Magazine of International Labour

VOLUME 2 APRIL-MAY, 1922 NUMBER 4

Editor: R. PALME DUTT.

C O N T E N T S

Notes of the Month - - - Page 289

A Reduction in Price—The Anniversary of
Black Friday—What was Black Friday?—
The Lock-out—The Rôle of the General
Council—Need of an Objective—The Re-
action to Politics—The Ultimate Issue—
The Lesson of the Rand—And of India

The Engineering Lock-Out

By W. H. HUTCHINSON „ 297

Britain, India and Swaraj

By M. K. GANDHI „ 311

The Real Power Behind the German

Government By M. PHILIPS PRICE „ 322

American Imperialism in Haiti

By LEWIS S. GANNETT „ 332

Socialists and the Next War

By A. B. ELSBURY „ 341

Russian Trade Unions Under the

New Economic Policy - - „ 349

The World of Labour - - „ 358

Third International Decisions on the United
Front—Italian Communist Congress—Rand
Strike Sequel

Book Reviews - - - „ 366

The Testament of Engels M. B.

The French “Black Book” G. S.

The Labour Publishing Company Ltd.

6 Tavistock Square

London

W.C.

The Labour Monthly

DIARY OF

BOURGEOISIE

March, 1922.

- | | |
|---------------|--|
| 1. BRITAIN | Political crisis over Mr. Lloyd George's threatened resignation. |
| EGYPT | Sarwat Pasha Cabinet formed; new terms presented to Sultan. |
| INDIA | Budget reveals deficit of £22 millions. |
| 7. INDIA | Appeal for revision of Treaty of Sèvres. |
| 8. GENOA | U.S.A. declines to participate in Genoa Conference. |
| IRELAND | Free State Bill passed in House of Commons. |
| 9. RUSSIA | House of Commons refuses grant to Famine area. |
| INDIA | Mr. Montagu resigns Chief Secretaryship because of Cabinet censure in connection with publication of Indian Government demand for repeal of Sèvres Treaty. |
| " | Gandhi arrested. |
| U.S.A. | £48,000,000 demanded of Reparations Committee for upkeep of Rhine Army. |
| 15. RUSSIA | Soviet Note to Entente on new safeguards for property and trade. |
| IRELAND | Republican League founded. |
| 16. EGYPT | Sultan proclaimed King Fuad. |
| 17. RUSSIA | British Government grant of £100,000 of stores. |
| 18. INDIA | Gandhi sentenced to six years' "simple" imprisonment. |
| " | Viscount Peel new Chief Secretary. |
| 20. GENOA | First meeting of Five Powers' Conference of Experts at London Board of Trade. |
| 22. NEAR EAST | Conference in Paris to make peace between Greece and Turkey. |
| 25. INDIA | Council of State passes Finance Bill. |
| 26. NEAR EAST | Conference closes in Paris. League to be responsible for Armenia. |
| IRELAND | Banned I.R.A. Convention declares for Republic. |
| 28. INDIA | Delhi Legislative Assembly prorogued. |
| 29. U.S.A. | Naval Treaty ratified by 74 to 1 votes. |
| 30. IRELAND | Agreement at London Conference between Collins and Craig to restore peace in the North. |
| 31. IRELAND | Free State Bill finally passed. |

The Labour Monthly

THE MONTH

LABOUR

March, 1922.

1. **BRITAIN** Shipyard ballot rejects war bonus cut of 26s. 6d. by 113,537—11,062.
4. **SOUTH AFRICA** Industrial Federation to negotiate with Chamber of Mines.
- FRANCE** First Executive meeting of the Unity C.G.T.
5. **HONG KONG** Seamen's strike reported settled.
6. **RUSSIA** Metal Workers' Congress at Moscow.
7. **SOUTH AFRICA** General strike.
10. **SOUTH AFRICA** Martial Law declared on the Rand. Government aeroplanes bomb strikers.
11. **BRITAIN** National Engineering lock-out.
13. **SOUTH AFRICA** 2,200 prisoners arrested.
14. **SWEDEN** 10,000 Papermakers locked-out.
- SPAIN** Communist Party Congress at Madrid.
15. **SOUTH AFRICA** Industrial Federation declares general strike null and void (p. 363).
16. **BRITAIN** Government refuse Joint Council's request for Court of Inquiry.
17. **RUSSIA** Anatole France sends appeal to Soviet Russia for leniency towards political opponents.
18. **FRANCE** Congress of French Socialist Party in Paris.
19. **ITALY** General strike of Stevedores in support of Naples strikers.
20. **ITALY** Communist Party Congress at Rome (p. 362).
24. **BRITAIN** Forty-seven Engineering and Shipbuilding Unions' ballot rejects employers' terms by 164,759 to 49,503 votes.
- AUSTRIA** Communist Party Congress.
26. **FRANCE** Marty and Badina re-elected in Municipal election.
- GERMANY** Levi group re-enter Independent Socialist Party.
27. **U.S.A.** Jim Larkin refused pardon.
- RUSSIA** Eleventh Communist Party Congress at Moscow.
29. **BRITAIN** Lock-out extended to shipyards.

NOTES of the MONTH

*A Reduction in Price—The Anniversary of Black Friday—
What was Black Friday?—The Lock-Out—The Rôle
of the General Council—Need of an Objective
—The Reaction to Politics—The Ulti-
mate Issue—The Lesson of the
Rand—And of India*

THE next issue of the LABOUR MONTHLY will be sold at sixpence. The present situation of the working-class movement makes a shilling Labour journal an anomaly. The price of one shilling was always a high price to ask of those readers whom we most valued—the local active workers and thinkers of the Labour movement. It was only adopted because we wished to establish the conception of quality first and foremost. But to-day a shilling is actually a higher price than when we began; the purchasing value of a shilling has increased, while wages have decreased. Thus at the very time when critical discussion and thinking is most needed in the Labour movement, the facilities for it are in danger of being most out of reach. In the face of this situation the LABOUR MONTHLY is bringing its price down to sixpence, whatever the cost involved in the form of cheapening production and the foregoing of returns on the part of contributors and workers on the journal. We believe that the good will of our readers will support us in this step, and that the wider service we will be able to achieve will be its justification.

THE need for an independent journal of Labour thought, untied to any party or organisation, is all the greater to-day, because at the present moment the Labour movement is faced with a dilemma which it is only beginning to realise. The bad times through which the working class is passing are not a temporary phase. They are the outcome and culmination of the whole policy of the Labour movement up to the present time. The engineering crisis to-day, with its visibly

The Labour Monthly

emerging spectre of Garyism and the Open Shop behind the employers' campaign, is only the sequel of Black Friday. The refusal to attack necessarily leads to counter-attack on the other side: and the refusal to stand together necessarily leads to defeat by sections. The years of opportunity were the years of the war and after. That opportunity was never taken, and to-day we are experiencing the consequences of that refusal, consequences which may lead to the shattering of the whole old structure of Trade Unionism. The policy of 1919, the policy which produced the Coal Commission, the Industrial Conference, and all the other golden promises that are now only a mocking memory, was a mistaken policy, as the hard facts have now shown. But the essential characteristics of that policy remain. The conditions which produced Black Friday are still with us. And in consequence the whole movement is at present going steadily down: one-time powerful organisations like the Miners have sunk into weakness, and the Engineers are now beginning the same experience. The movement is at present at a dead end, and groping vainly for a new line of progress. Only in the electoral sphere is there still progress and hope of success; and even there we believe that the same dead point is inevitably destined to be reached. The reason for this must be made clear before there can be any hope of progress.

WHAT constituted Black Friday, the anniversary of which we are to-day celebrating? The essential feature of Black Friday was this: the refusal of solidarity by the Labour movement because of fears of the results of that solidarity. It was a retreat, not because of weakness, but because of strength. The leaders who declared that it was necessary to retreat have since told us that they did so, not because they feared a defeat, but because they feared a victory. Labour still shrinks from exerting its full strength, as capital has never shrunk: and that is why capital wins, and a handful of men are able to impose their will on many millions. The leaders of Labour still suffer from a divided allegiance: they regard themselves as ultimately responsible, not to the movement they are leading,

Notes of the Month

but to something else. That something else they believe to be the "community," and they are afraid of hurting it: but in reality it is Capitalism, and that is the secret of their paralysis. When a dispute arises in one section, the other sections hasten to "mediate" on behalf of that something else. By the very use of that term "mediate" they show that they regard themselves as neutrals, not as allies. Yet they would indignantly deny that they are disowning the solidarity of Labour. This was the story of the railway strike of 1919, when the other Unions hastened to form their Trade Union Mediation Committee of Fourteen. It was the story of Black Friday, when the "allies" of the Triple Alliance conceived their function to be to act as go-betweens with the enemy and leave the miners to suffer alone. It is again the story to-day with the General Council.

THE General Council was created as a General Staff. It is acting as a Mediating Committee. The lock-out reveals once again in its most vivid form the essential facts of the situation. Here we have an Engineering Employers' Federation which covers 75 per cent. of the trade, including all the large businesses, declaring its ultimatum to the men "organised" in 53 separate Unions. The time of the ultimatum is chosen with strategic precision. The lock-out had previously been threatened for the spring of 1921. But that time would have coincided with the lock-out of the miners, who were rightly selected for the first victims of the capitalist attack. If the miners, constituting the biggest and most militant force on the Labour side, could be felled separately, while the rest of Labour looked on, then the rest could easily be dealt with. That was the significance of Black Friday. Once the solidarity of Labour is broken the attack becomes general. By the spring of this year all was ready for the reduction of the remaining principal stronghold, the engineers. At the time of the delivery of the ultimatum the Amalgamated Engineering Union had 91,000 unemployed members out of a total of 406,000, and had paid out £2,000,000 in the preceding year in unemployment benefit. Thus its funds were depleted before the fight began, not by fighting or preparing for fighting, but by re-

The Labour Monthly

lieving the employers of their burdens and helping to maintain capitalist industry. Once again the same tactics are pursued. The ultimatum falls first on the strongest, the A.E.U. Even of that Union less than one-third of the membership is involved at the start. The other Unions look on waiting. The ultimatum to them was due to expire four days after that to the A.E.U., but it was postponed. Not until the third week, at the moment chosen by the employers, are the other Unions brought in. One at a time is the policy of the employers. One at a time is the obedient policy of the Unions.

AT this point comes the testing of the General Council. Here is precisely the situation for which the General Council was created. What does it do? The General Council (acting with the other sections comprising the Joint Labour Council) proceeds to interview the Minister of Labour and to endeavour to find a "basis" of negotiations with the employers. The basis when found looks suspiciously like the original terms of the employers. But let it not be supposed that the General Council has accomplished nothing. The General Council has accomplished what the Ministry of Labour failed to accomplish—it has brought the two sides together. The assistance of the General Council has effectively turned the A.E.U. position. The A.E.U. may fight Sir Allan Smith and Dr. Macnamara. But how can they fight Henderson and Bowerman? The function of the General Council as the mediator—or, in other words, the buffer of Capitalism—is revealed. And at the same time, to complete the picture, is revealed the contrasting attitude of the Capitalists' General Staff—the State. The General Council appeals to the State to intervene and apply the Industrial Courts Act. But in so doing it shows a woeful misunderstanding of the State's functions. The machinery of the Industrial Courts Act is intended to stop strikes, not lock-outs. The State refuses to interfere. The cant about the community, about the disaster of a cessation of production, about the State's impartial interest in maintaining essential services is dropped. There is no nonsense in Capital's General Staff. It does not suffer from divided allegiance.

Notes of the Month

WHAT is the moral of the situation? In his article in the current issue Mr. W. H. Hutchinson, who may be regarded as the guiding spirit of the A.E.U., draws the moral that the General Council must be given more effective powers. It is a significant fact when one of the ablest officials of the old school recognises that the old Trade Unionism is at the end of its tether, and that its sectionalism is powerless against the combination and concentration of modern Capital. But he does not follow his argument to its conclusion. If the only weakness of the General Council was lack of power, it would mean that the General Council had attempted to act and had found its powers insufficient. But that is not the case; and if that is not the case, then the increase of its power, however magnificent on paper, will no more change the situation than the original creation of its high-sounding title has affected the sectionalism of the Unions. The Triple Alliance had powers on paper, but it was afraid to use them. The more powers the General Council has, the less it will be likely to use them. What is needed is not simply power, but power *for an objective*. What is that objective? There can only be one answer to that question. If the central direction of Labour is needed to confront the central direction of Capital in the modern State, it can only be for one purpose, and that is to defeat it. But to defeat it is no longer an isolated struggle in a separate industry: it is no longer a struggle in the merely industrial field at all. Every national dispute of the past few years has shown that it is a struggle with the whole organised force of the modern capitalist State. This is the issue which the modern Labour movement has been brought up against during the last few years, and has shrunk from facing. From the moment of that shrinking it has gone back, and begun to lose even its former gains.

AT the point now reached the rebuff on the industrial field is having its familiar reaction in the concentration of hopes on the electoral field. The swelling tide of by-election successes leads to the hope that Labour will find its solution in the ballot, where the Unions have failed. This development may be expected to continue until a new disillusionment—following either on the non-return of a Labour Government to power or on its return—and

The Labour Monthly

renewed industrial struggles lead to the next swing of the pendulum. It is natural to deplore this continual swing of the pendulum, but it is more important to understand that it is inevitable so long as the present old and barren antithesis between industrial and political action is maintained. The old controversy of "industrial" and "political" action is out of date, because the alternatives are unreal. It is quite true that the modern struggle of Labour is political in the sense that it is a struggle for power in the whole of society. But this does not mean that it is merely electoral. The failure to understand this distinction is the cause of endless confusion. "Political" means more than Parliamentary. A political issue is in the last resort one which affects the ultimate seat of power in society. And that ultimate seat of power is not Parliamentary.

THE development of the Labour Party is a great stage in advance in so far as it represents the recognition that the modern problem is political. The modern Trade Union official recognises that he is faced with the problem of the State, and proposes to meet it by capturing the State by the ballot. The old Trade Unionist who wished to keep clear of "politics" has practically disappeared. This is a tremendous advance, because it means that the controversy is now narrowed down to the method of "capturing" the State. The day of economic Trade Unionism is over. But the fact that economic Trade Unionism has now given place to the stage of Parliamentary Trade Unionism does not mean that the stage of Parliamentary Trade Unionism is final. The hopes of the Labour Party are now in the ascendant, and orthodox Trade Unionism on the down-grade, not because one is successful and the other not, but because orthodox Trade Unionism has been tried through to its finish, while the Labour Party has still to be tried. But the experience of continental countries has already shown that when the Labour Party has reached a sufficient stage of development it will be faced with the same ultimate problem. A Labour Government has to maintain law and order, that is to say the existing system. When it tries to go beyond that, the real struggle awaits it. If it does not so try, like the Labour Governments in Australia and Germany, the real

Notes of the Month

struggle confronts the Labour movement. In either case the ultimate issue has to be faced, and every possible avenue of progress will reach the same dead point until it is faced.

THIS is the lesson which is being proclaimed from every country. The Rand provides the latest and most startling example. South Africa was notorious as the home of some of the most conservative Trade Unionism in the world. The white Unions were openly hostile to the organisation of coloured labour; to the native worker the white worker was "boss." The small group of Socialists round W. H. Andrews and the International Socialist League were alone in standing for the united organisation of all the workers against the common enemy: the majority of the white workers preferred to maintain their privileged position with the employers. The Industrial Federation was a typical mediating body, working hand in glove with the employers: the Labour Party under Colonel Cresswell had an ultra-patriotic war record. Yet it is here of all places that there has just blazed out the fiercest and most intense struggle of recent times on British territory, with all the machinery of modern warfare let loose upon the workers. What is the explanation? The South African Government informs us that it was a plot engineered by "Bolshevists, International Socialists and Communists." But the Government communiqués also declare that the strike commandos were engaged in attacking and shooting down coloured workers. Now it is notorious that the principal feature of the International Socialist campaign in South Africa is combination with the coloured workers. Therefore it is either not true that the direction of the struggle came from the International Socialists, or it is not true that the white men shot the coloured workers. The one statement of the Government discredits the other, and the net effect is to discredit both. What is certain is, that the original offensive of the employers drove the men to resistance and the general strike: and once the men had been driven to resistance, the whole power of the modern State, with bombs, aeroplanes, and machine guns, was brought to bear on the men to crush them into accepting the employers' terms. Conservative Trade Unionism and a moderate Labour Party give

The Labour Monthly

no guarantee of social peace. The lesson will have been stamped into the heart of every worker in South Africa.

IN India, again, an entirely different set of conditions has revealed the same underlying issue. The Gandhist campaign was a tremendous concentration of the masses of the population into a single movement, which went from strength to strength until it reached the final issue, and then shrank back from the consequences of its own policy. The high-water mark of the Indian movement was reached at the December National Congress, when the policy of "mass civil disobedience" was unanimously adopted and Gandhi was entrusted with dictatorial powers to carry it out. At that moment the tension of popular enthusiasm was extreme, the panic of official opinion was unconcealed: no attempt was made to arrest Gandhi. But the opportunity of that moment was never taken. Gandhi delivered ultimatum after ultimatum to the Government, each with more rigorous terms than the last. But each ultimatum was in reality a postponement, giving the Government another fortnight's or another week's "grace." Finally came the Bardoli decision of February 11, postponing the whole movement indefinitely and without conditions. Like the Triple Alliance strike in this country, the great gun of the Indian movement of "mass civil disobedience," after being repeatedly threatened and repeatedly postponed, never went off. Why was this? The fundamental reason was the same in each country. In either case the leaders suddenly realised in the moment of crisis the inevitably revolutionary consequences of the policy they had proclaimed, and drew back in alarm, to the surprise and consternation of their followers. From that moment the movement declined: in this country the employers renewed their offensive; in India the Government was able with impunity to sentence Gandhi to six years' imprisonment. The first period of the revolutionary prelude is completed: the second waits to begin. The failure of Gandhi is the old story of the failure of the man who calls the masses into movement, but shrinks from the revolutionary consequences of a movement of the masses.

THE ENGINEERING LOCK-OUT

By W. H. HUTCHINSON

THE engineering lock-out derives its importance not from the fact that 150,000 men were locked out, or that there was a continual menace of this number being swollen to the proportions of a million or a million and a quarter, but from its historical significance; and by its historical significance I mean both its relation to the history of the last twenty years and its relation to the other sections of the Labour movement. From this historical point of view it must be examined, and my purpose is to discover, as a result of such an examination, some practical proposals which will help the Labour movement in the future.

Let us begin with the record of events in the last fifteen or twenty years. Here, first of all, before entering into any details, it is necessary to remark that the engineering industry has moved very little relatively to the enormous advances made by the workers in other industries, such as railways, docks, ships, the Post Office, and, more recently, agriculture. There has been no such startling transformation of conditions as occurred in these less developed industries. The reasons for this we must seek in the greater degree of development that had been reached by the A.S.E. and other societies by the end of the nineteenth century, so that they had less lee-way to make up than the others, in the extremely well-equipped and militant organisation of the employers; and last, but not least, the disunity and quarrelsomeness of the Unions themselves. With every other opportunity in the world it is doubtful if the indus-

The Labour Monthly

tries I have cited above would have made any advances at all had they been placed as was the engineering industry, with something from 75 to 150 separate and frequently conflicting Unions.

Nevertheless, changes in engineering have been very considerable. It is not necessary to go back to the terms agreed to in January, 1898, at the end of a seven-months' lock-out; but it is possible to take the Terms of Agreement of 1907, made between the Engineering Employers' Federation, the A.S.E., the Steam Engine Makers, and the United Machine Workers, because the terms are sufficiently comparable with the negotiations that have taken place since to make it possible to register the changes that occurred after 1907.

The agreement of October 1, 1907, contains nine sections, whose general tenor is sufficiently indicated by quoting the titles:—(i) General Principles of Employment; (ii) Employment of Workmen; (iii) Piece Work; (iv) Overtime; (v) Rating of Skilled Workmen; (vi) Apprentices; (vii) Selection, Training, and Employment of Operatives and Manning of Machine Tools; (viii) Provisions for Avoiding Disputes; (ix) Constitution of Conferences. As disputes since have frequently turned on the question of language, it should be noted that the language used in this agreement of 1907 has been built in, as it were, and made a part of the permanent structure of agreements between the two parties. Thus, Section (i) ran:—

The Federated Employers shall not interfere with the proper functions of the Trade Unions, and the Trade Unions shall not interfere with the Employers in the management of their business.

while Section (iv) was as follows:—

The Federation and the Trade Unions are agreed that systematic overtime is to be deprecated as a method of production, and that when overtime is necessary the following is mutually recommended as a basis, viz.:—

That no Union workmen shall be required to work more than thirty-two hours' overtime in any four weeks after full shop hours

The Engineering Lock-Out

have been worked, allowance being made for time lost through sickness, absence with leave, or enforced idleness.

In the following cases overtime is not to be restricted :—

Breakdown work, repairs, replacements or alterations for the employers or their customers.

Trial trips and repairs to ships.

Urgency and emergency.

The identity of language in this latter case is particularly to be remarked in connection with the present dispute. There were, however, in the other clauses, provisions which definitely show the inferior position occupied by the workers' organisations. Under Section (ii) there is the clause :—

The Trade Unions recommend all their members not to object to work with non-Union workmen, and the Federation recommend all their members not to object to employ Union workmen on the ground that they are members of a Trade Union.

This clause sounds antiquated at the present day; but it is none the less to the liking of the employers. This terminology seems to have found an echo in the utterances of Judge Gary, in his attempt to smash the Unions of Chicago, while from that again there seems to be a re-echo in the secret circular issued by the employers on March 2. The inferior position of the Unions comes out still more clearly in Section (v), which I quote in full :—

Employers have the right to employ workmen at rates of wages mutually satisfactory to the employer and the workman, or workmen, concerned.

In fixing the rates of skilled workmen, the employer shall have regard to the rates prevailing in the district for fully-trained and skilled men.

Unions, while disclaiming any right to interfere with the wages of workmen other than their own members, have the right in their collective capacity to arrange the rate of wages at which their members may accept work.

General alterations in the rates of wages in any district shall be negotiated between the employers' local association and the local representatives of the Trade Union or Unions concerned.

Section (vi) stipulates that there should be no recognised

The Labour Monthly

proportion of apprentices to journeymen. This may seem to other Trade Unionists to indicate a condition of weakness which may lead them to appreciate the present attitude of the A.E.U. But from the point of view of the member of an engineering Union, by far the most important clause of the agreement was that relating to the manning of machines, because this question, which seems to the hired leader-writers of the Press to be one of minor importance—a trifle of technique or of workshop management—really raises every question of the fundamental relations between the employers and the men. It is at bottom a wages question, and it is capable of being an issue which more than any other ranges the whole of the employers on one side, and on the other those workers who, consciously or unconsciously, are concerned to defend the interests of the whole class. I quote the clause in full:—

Employers have the right to select, train, and employ those whom they consider best adapted to the various operations carried on in their workshops, and to pay them according to their ability as workmen.

Employers, in view of the necessity of obtaining the most economical production, whether by skilled or unskilled workmen, have full discretion to appoint the men they consider suitable to work all their machine tools, and to determine the conditions under which they shall be worked.

The Federation recommend their members that, when they are carrying out changes in their workshops which will result in displacement of labour, consideration should be given to the case of the workmen who may be displaced, with a view, if possible, of retaining their services on the work affected, or finding other employment for them.

I have dealt with the 1907 agreement in detail because it covers a period of six years during which the Unions were in a position of marked inferiority, and also because the language of the 1907 agreement has been handed down as a heritage to all the Executive Council men and other officials of the Engineering Unions that succeeded Mr. G. N. Barnes, Mr. Dawtry, and the others who were signatories to that document.

The Engineering Lock-Out

In the year 1913, at the crest of a period of unprecedented good trade with a very great demand for skilled labour, the Unions were strong enough to terminate the treaty of 1907. Thus, ever since 1913 the engineering industry has continued without any general national agreement between the employers' association and the Trade Unions. There have been a number of local agreements and also agreements dealing with special questions, but in contradistinction to other industries there has been no general treaty whatever between the parties. One thing only there has been: the provisions for avoiding disputes. This section, which was an amended version of the section of the same name in the 1907 Terms of Agreement, speeded up the machinery of negotiations and was designed to eliminate the friction that has always been found to result from dilatory practices on the part of employers' negotiations or Trade Unions—though from the nature of the disputes that arise, it is seldom that the Trade Unions can be held responsible for dilatory tactics. This treaty is usually known as the York Memorandum. I now quote it in full:—

YORK MEMO.

Memo. of Special Conference between the Engineering Employers' Federation and the Amalgamated Society of Engineers held within Station Hotel, York, on 17th April, 1914.

Referring to the termination by the society of the agreement of 1st October, 1907, and the premium bonus agreement, the representatives of the society agree forthwith to recommend their members to authorise their Executive Council to enter into negotiations with the Federation with the view to arriving at an agreement in substitution of the agreement of 1907 and the premium bonus agreement, and both parties agree that meantime the following provisions for avoiding disputes shall be observed:

When a question arises an endeavour shall be made by the management and the workmen directly concerned to settle the same in the works or at the place where the question has arisen. Failing settlement, deputations of workmen, who may be accompanied by their organising district delegate (in which event a representative of the employers' association shall also be present), shall be received by the

The Labour Monthly

employers by appointment without unreasonable delay for the mutual discussion of any question in the settlement of which both parties are directly concerned. In the event of no settlement being arrived at, it shall be competent for either party to bring the question before a local conference to be held between the local association and the local representatives of the society.

In the event of either party desiring to raise any question a local conference for this purpose may be arranged by application to the secretary of the local association or to the local representative of the society.

Local conferences shall be held within seven working days unless otherwise mutually agreed upon from the receipt of the application by the secretary of the local association, or the local representative of the society.

Failing settlement at a local conference of any question brought before it, it shall be competent for either party to refer the matter to a Central Conference, which, if thought desirable, may make a joint recommendation to the constituent bodies.

Central Conferences shall be held on the second Friday of each month, at which questions referred to Central Conference prior to 14 days of that date shall be taken.

Until the procedure provided above has been carried through, there shall be no stoppage of work, either of a partial or a general character.

It will be noticed that the York Memorandum was intended as a prelude to a general agreement, which itself was never signed. We may be asked how it was that the industry was able to proceed for so many years without any strike or lock-out occurring on one or the other of the principles which had remained in dispute. The reason, I take it, was that the York Memorandum ranged the parties nationally at Central Conference, and throughout the whole of the years which followed 1913 and 1914 neither party appeared to be willing to shoulder the responsibility of either a national strike or a national lock-out—until the present moment. Sporadic disputes might originate in one locality or another over one particular agreement or another, but a definite premeditated attack was avoided by both parties.

The Engineering Lock-Out

At the beginning of the war, then, there was no general agreement or treaty subsisting in the engineering industry with the exception of an agreement to ensure the speeding up of machinery of negotiations between the parties. The outbreak of war brought with it the industrial truce; the employers took up an extremely reasonable attitude, made concessions to the men, and freed the Unions from certain irksome restrictions. I wish to make this statement freely and place it to the credit of the employers, partly because I cannot remember any other time before or since when their attitude has been one which I could unreservedly praise. Of course, I am not suggesting that the employers made concessions to the men because of a national necessity, and that the men were not making concessions to the employers; on the contrary, the matter was one of give and take. It was mutual. On unemployment the employers' attitude was praiseworthy. On the withdrawal of all overtime restrictions the Unions' attitude was similarly praiseworthy.

However, from that moment onwards to the present time there has been no re-emergence of the same conciliatory support, at any rate, on the part of the employers. The special and peculiar conditions of the war necessitated the bringing into force of agreements on entirely new questions, or on old questions which had perforce to be negotiated in an entirely new light and under entirely new conditions. But, on each of these questions, such as the Shells and Fuses Agreement, and the well-known circulars of the Ministry of Munitions known as L2 and L3 (and L6 as well), there turned out to be an employers' interpretation and a Trade Union interpretation. This culminated in a condition of tension throughout the industry, which became more and more acute from 1917 onwards. The complete incompatibility of the employers' attitude with the outlook and aspirations of men who were working 80 to 100 hours a week resulted in a series of violent explosions, of which the most remarkable were the strike of May, 1917, involving a quarter of a mil-

The Labour Monthly

lion workers, and the Coventry dispute over shop stewards in the autumn of the same year.

Beneath everything was the feeling that the employers in the absence of an agreement were trying to utilise the special conditions of the war to their own advantage. This resulted in the most stringent stipulations as to the restoration of Trade Union conditions after the war. These stipulations were made as ironclad as could be. They were guaranteed, though only after long pressure, by Acts of Parliament; and to the credit of the weekly *Herald*, the *Labour Leader*, the *Call* and other Socialist papers, the rank and file of the industry were kept on the *qui vive* to ensure that if the employers prevented restoration, that if the Government treated the pledges to the Trade Unions as it had treated other pledges, the force of the industry would be readily and quickly mobilised to ensure that the promises that had been made would be fulfilled to the letter. Under these circumstances, and in face of the watchfulness of the Trade Unions, the restoration of Trade Union conditions had to be carried out, and was carried out after the war.

But besides this purely negative question of preventing any encroachment on the working-class standards as they had been known throughout the nineteenth century, there was always in the background the necessity, felt by some of the more acute-minded amongst the employers, to get to a satisfactory understanding with the men, and of not merely having a treaty to prevent treachery (which was all that the Restoration of Trade Unions Act meant), but another treaty which would cover the whole field, would pass from statements of general principle to detailed laying down of standard national conditions: and so would do away with the guerrilla warfare that had been the fashion since 1913. Accordingly the special agreements arising out of the new conditions of the war to which I have referred above, such as L2 and L3 (Shells and Fuses, etc.), began to be regarded as preludes to such a general agreement.

The variety and extent of subjects that would fall to be

The Engineering Lock-Out

dealt with by a general agreement for standardisation can be judged from the following list:—

Hours.

Wages.

Overtime.

Night shift payment.

Procedure governing Payment by Results where already in operation or where subsequently introduced.

Holidays—payment and duration.

The apprentice question.—Question of the union's right to negotiate for them, and the union's responsibility for their training and technique and practice.

Unemployment.

Machine question.

Non-Union question.

I may pause here to recall the fact that in other industries a parallel movement for standardisation had been going on. The best-known examples of this are, of course, the Agricultural Wages Board, which issued from the Corn Production Act of 1917; the negotiations for a new conciliation scheme on the railways which resulted, though only after a national strike, in the standardisation of railway conditions; the establishment in 1917 of the National Maritime Board, which equalised the pay of all sailors in every port and did away with previous inequalities; and finally in the spring of 1920 the standardisation by which in every docks it was laid down the docker should have a wage of 16s. a day.

The remarkable thing to notice is that the engineering employers, earlier than any of the other great industries, agreed to the principle of standardisation. They agreed *de facto* when they concluded the Shop Stewards Agreement of the autumn of 1917; they agreed in set terms in that same winter of 1917-18 that they would proceed to have a treaty on all of the general questions of the industry.

Of all these general questions how many were settled? The answer is a melancholy one. Apart from the Shop Stewards Agreement, which may be regarded as a prelude to standardisation and the 47-Hours Agreement, raised just

The Labour Monthly

before the outbreak of war and concluded just after the Armistice, we have only the Overtime Agreement of September, 1920, together with the Two-Shift Agreement of the month succeeding.

How had matters come to this pass? To understand this we have to transport ourselves to the beginning of 1919, when the series of explosions that had occurred in the engineering industry seemed likely to find their climax in a universal outburst. Mr. Lloyd George, we can see now, did his best for Sir Allan Smith and the other employers by calling the famous Industrial Conference of February 27, 1919; and Sir Allan Smith, to do him justice, was not a bit behind in playing up to Mr. Lloyd George and following his lead. Accordingly we find him, as Chairman of the Employers' side of that Conference, signing his name to such a clause as this: "During the periods of depression in an industry overtime should only be worked in special cases, which should be determined in accordance with rules laid down in the case of each industry by its Industrial Council or other joint representative body."

A little later, however, occasion was taken to hold up negotiations on all the other points at issue. By this means standardisation was postponed from the spring of 1919 for a year and a half. At last, in the autumn of 1920, the Overtime Agreement was concluded. Before the end of the year a difference of the interpretation had arisen between the Unions and the employers. This difference was stressed. It was made the occasion for postponing consideration of all other questions, and finally it became the subject of a threat to lock out in the spring of 1921. I do not know whether Sir Allan and the other employers had been playing for time, but things could not have resulted better for them if they had. The critical two years had been passed by, and a stage had been reached in the year 1921 at which it was possible to contemplate, not as one might expect a favourable agreement for the employers, but actually the calling off of all talk of any agreement at all.

The Engineering Lock-Out

Six more months passed by. The position in the industry worsened, and so rapidly did things move that it became possible for the employers to have yet another new idea and to utilise the depression in trade for the purpose of concluding a treaty, not on the basis of the last ten years in the industry, but on the basis of the weakened and demoralised condition of the Unions at the end of 1921.

So the employers' ultimatum of November last was launched and resulted in the lock-out of March 11. I do not desire to enter in this article into the merits of the dispute, which are dealt with in the pamphlet, "Why we are Locked Out," by the Amalgamated Engineering Union. Nor do I want to retrace the course of the negotiations in the month which followed March 11. It is sufficient for my purpose in this article to make it clear that the clauses which the employers consider vital, and particularly the one which runs: "Instructions of the management shall be observed pending any question therewith being discussed in accordance with the provisions referred to," would, if carried out in the manner foreshadowed during the lock-out negotiations, simply give the employers carte blanche and enable them to make a mock of all Trade Union conditions.

Thus, the Amalgamated Engineering Union is fighting, not only to retain the position taken up by the men whom it represents, but also to prevent the slipping back of the industry into a condition which will enable the employers to impose upon them the sort of conditions we had in the Terms of Agreement of 1907. I have no doubt that the language of any such "agreement" imposed on the Engineering Union would be less irritating and objectionable than the language of 1907, but, however polite the terms, the fact would remain that the employers had firmly established themselves as top dogs.

The Amalgamated Engineering Union, however, is capable of fighting, and at the very worst will be able to prevent a repetition of the debacle of 1897; while at the best

The Labour Monthly

it may surprise employers with the new spirit it can inspire in the ordinary man at the bench and the lathe.

So far I have dealt with the narrative of events in such a way as to show, I hope, one side of the significance of the present employers' offensive against the Engineering Union.

Let me now turn to the lock-out viewed in relation to the other engineering societies. The 47 Unions and more were roped in by the employers into a quarrel which, as they protested, had nothing to do with them. This caused an illusory appearance of a united front. What made the united front unreal was, first, the fact that the sets of Unions were negotiating together, but only one Union, the A.E.U., had its members on the street; and, second, the view of the 47 Unions that it was not really their quarrel. It may be quite true that, in the deepest sense, it truly was their quarrel, because they were workers and we were workers, and the battle was between all capital and all labour in the engineering industry. But a statement of this kind does not affect the fact that with 47 Unions negotiating you are bound to get disunity. The employers were united enough—so united that throughout the negotiations they had only one spokesman. If it had not been demonstrated before, the break-away of the 47 Unions and the breach in the working-class front should now demonstrate once and for all the folly of there being fifty Unions where one would suffice.

If next we view the lock-out in relation to the other sections of the working-class movement, what do we find? Briefly, we find that as far as active support was concerned, the Trade Union movement was as impotent as it was in the case of the Miners, in the case of the Agricultural Labourers, and in a host of lesser instances. Mediation we had in plenty. But mediation, though it may be useful, is not so effective as the power of direct reinforcement, either of funds or forces. Besides, without this power of direct reinforcement the mediator is hampered, even if he is not completely impotent. In face of this impotence we are immediately driven to ask: Is there really a Trade Union Movement as a

The Engineering Lock-Out

whole? Are the Unions content to see one after another stricken down by the employers without any attempt to grapple with the problem of rendering aid to those on whom the brunt of the fighting happens to fall? The answer is, I believe, that the Unions are not so content, that the Unions are not willing to see their fellows perish without coming to their aid. But one fatal obstacle so far has been that there is no machinery, no effective machinery, by which the Union that is hard-pressed can be aided by the others. It is therefore our business to consider the forms of organisation of the British Labour movement, and see whether by some means or other a practical plan cannot be devised to meet such an emergency as this. When I write this I do not mean to depreciate the General Council, or to suggest that the setting up of this body was not a good step. On the contrary, it was a good step. My point is that it was not good enough. Something further has got to be done. Let us examine what that something further is.

The existing forms of British Trade Union organisation can be roughly divided into craft, industrial, or general labour Unions, while against these actually existing forms may be set the ideal of many in the Movement, unrealised in fact but powerful as a stimulus—the notion of the One Big Union.

Now I do not wish for a moment to suggest that we must scrap these existing forms of organisation and turn to the One Big Union, because I know that as things are at present it would not matter two pennyworth of common gin if Arthur Henderson, J. R. Clynes and all the other leaders were to pray for the One Big Union every night before they went to bed. The temper of the British Labour Movement is such that even the conversion of its best-known leaders to such an idea as that of the One Big Union would not have any practical result until it has been demonstrated again and again that every other form of organisation is futile. Therefore the practical outcome of a consideration of the Engineering Lock-out in relation to the other Unions, and therefore to the present form of Union organisation, is that we must have

The Labour Monthly

one more try to improve the organisations that exist already. But if this one more try fails, there seems to me no alternative to turning to the One Big Union form of organisation.

The plan I propose is therefore not one touching the structure of the individual Trade Unions, but accepting them for better or worse. The new plan would strengthen the General Council and widen the scope of its activities. At present the General Council consists of seventeen groups, of which engineering and shipbuilding is one, comprising 208 Unions. The funds of the General Council are made up of affiliation fees, which suffice only to keep headquarters and a number of headquarters' activities in being. The problem is to improve on the structure and to build up a fighting fund. The first step towards the former is the consolidation of the Unions in each of the seventeen groups until the present superabundance of a thousand and more societies is sweated down to something between twenty and twenty-five. How is this to be done? I suggest that at the next Trades Union Congress (the agenda for which will be out shortly) a discussion should take place on the general question of amalgamation, and should be followed by the appointment of a commission to effect the amalgamation of competing and overlapping Unions within each General Council group.

This proposal may not seem a very large one. I am not concerned about that. I have seen too much of large proposals which came to nothing. This proposal, namely, that where the Unions do not come together themselves, the General Council should make them come together, is practical, and is practical this very autumn.

Finally, if the General Council wish to have funds to assist in any dispute or lock-out, then, instead of requesting that they should have the right of levy on the Union, they should have a definite constitution that empowers the General Council in certain events to call for an increased affiliation fee, which would not entail any references back to the membership of the society, but would be a part of the acceptance of affiliation to the Trades Union Congress of Great Britain.

BRITAIN, INDIA AND SWARAJ

By M. K. GANDHI

(It had been arranged to print in this number an article from the pen of Mr. Gandhi. His arrest frustrated this. But at the same time it has focussed public attention upon him. Accordingly, to those unacquainted with the personality of Gandhi save through the colourless—or over-coloured—medium of the Press, it may be of value to have the opportunity of forming an independent opinion of his outlook by reading some of the following typical extracts from his writings. These extracts are taken from his work on "Indian Home Rule," which was re-published by Messrs. Ganesh and Co., of Madras, in 1919, and had a tremendous sale throughout India. It will be seen that his outlook is wholly alien to the Labour and Socialist movement, and that the calibre of his leadership is more ethical than intellectual.)

§ 1—The Condition of England

READER : Then from your statement, I deduce the Government of England is not desirable and not worth copying by us.

EDITOR : Your deduction is justified. The condition of England at present is pitiable. I pray to God that India may never be in that plight. That which you consider to be the Mother of Parliaments is like a sterile woman and a prostitute. Both these are harsh statements, but exactly fit the case. That Parliament has not yet of its own accord done a single good thing, hence I have compared it to a sterile woman. The natural condition of that Parliament is such that, without outside pressure, it can do nothing. It is like a prostitute because it is under the control of Ministers who change from time to time. To-day it is under Mr. Asquith, to-morrow it may be under Mr. Balfour.

READER : You have said this sarcastically. The term

The Labour Monthly

“sterile woman” is not applicable. The Parliament, being elected by the people, must work under public pressure. This is its quality.

EDITOR: You are mistaken. Let us examine it a little more closely. The best men are supposed to be elected by the people. The electors are considered to be educated and, therefore, we should assume that they would not generally make mistakes in their choice. Such a Parliament should not need the spur of petitions or any other pressure. Its work should be so smooth that its effect would be more apparent day by day. But, as a matter of fact, it is generally acknowledged that the members are hypocritical and selfish. Each thinks of his own little interest. It is fear that is the guiding motive. What is done to-day may be undone to-morrow. It is not possible to recall a single instance in which finality can be predicated for its work. When the greatest questions are debated, its members have been seen to stretch themselves and to dose. Sometimes the members talk away until the listeners are disgusted. Carlyle has called it the “talking-shop of the world.” Members vote for their party without a thought. Their so-called discipline binds them to it. If any member, by way of exception, gives an independent vote, he is considered a renegade. If the money and the time wasted by the Parliament were entrusted to a few good men, the English nation would be occupying to-day a much higher platform. The Parliament is simply a costly toy of the nation. These views are by no means peculiar to me. Some great English thinkers have expressed them. One of the members of that Parliament recently said that a true Christian could not become a member of it. Another said that it was a baby. And, if it has remained a baby after an existence of seven hundred years, when will it outgrow its babyhood?

READER: You have set me thinking; you do not expect me to accept at once all you say. You give me entirely novel views. I shall have to digest them. Will you now explain the epithet “prostitute”?

Britain, India and Swaraj

EDITOR : That you cannot accept my views at once is only right. If you will read the literature on this subject, you will have some idea of it. The Parliament is without a real master. Under the Prime Minister, its movement is not steady, but it is buffeted about like a prostitute. The Prime Minister is more concerned about his power than about the welfare of the Parliament. His energy is concentrated upon securing the success of his party. His care is not always that the Parliament shall do right. Prime Ministers are known to have made the Parliament do things merely for party advantage. All this is worth thinking over.

READER : Then you are really attacking the very men whom we have hitherto considered to be patriotic and honest ?

EDITOR : Yes, that is true; I can have nothing against Prime Ministers, but what I have seen leads me to think that they cannot be considered really patriotic. If they are to be considered honest because they do not take what is generally known as bribery, let them be so considered, but they are open to subtler influences. In order to gain their ends, they certainly bribe people with honours. I do not hesitate to say that they have neither real honesty nor a living conscience.

READER : As you express these views about the Parliament, I would like to hear you on the English people, so that I may have your view of their Government.

EDITOR : To the English voters their newspaper is their Bible. They take their cue from their newspapers, which latter are often dishonest. The same fact is differently interpreted by different newspapers, according to the party in whose interests they are edited. One newspaper would consider a great Englishman to be a paragon of honesty, another would consider him dishonest. What must be the condition of the people whose newspapers are of this type ?

READER : You shall describe it.

EDITOR : These people change their views frequently. It is said that they change them every seven years. These views swing like the pendulum of a clock and are never stead-

The Labour Monthly

fast. The people would follow a powerful orator or a man who gives them parties, receptions, etc. As are the people, so is their Parliament. They have certainly one quality very strongly developed. They will never allow their country to be lost. If any person were to cast an evil eye on it, they would pluck out his eyes. But that does not mean that the nation possesses every other virtue or that it should be imitated. If India copies England, it is my firm conviction that she will be ruined.

READER : To what do you ascribe this state of England?

EDITOR : It is not due to any peculiar fault of the English people, but the condition is due to modern civilisation. It is a civilisation only in name. Under it the nations of Europe are becoming degraded and ruined day by day.

§ 2—Civilisation

READER : Now you will have to explain what you mean by civilisation.

EDITOR : It is not a question of what I mean. Several English writers refuse to call that civilisation which passes under that name. Many books have been written upon that subject. Societies have been formed to cure the nation of the evils of civilisation. A great English writer has written a work called *Civilisation: its Cause and Cure*. Therein he has called it a disease.

READER : Why do we not know this generally?

EDITOR : The answer is very simple. We rarely find people arguing against themselves. Those who are intoxicated by modern civilisation are not likely to write against it. Their care will be to find out facts and arguments in support of it, and this they do unconsciously, believing it to be true. A man, whilst he is dreaming, believes in his dream; he is undeceived only when he is awakened from his sleep. A man labouring under the bane of civilisation is like a dreaming man. What we usually read are the works of defenders of modern civilisation, which undoubtedly claims among its

Britain, India and Swaraj

votaries very brilliant and even some very good men. Their writings hypnotise us. And so, one by one, we are drawn into the vortex.

READER : This seems to be very plausible. Now will you tell me something of what you have read and thought of this civilisation ?

EDITOR : Let us first consider what state of things is described by the word "civilisation." Its true test lies in the fact that people living in it make bodily welfare the object of life. We will take some examples. The people of Europe to-day live in better-built houses than they did a hundred years ago. This is considered an emblem of civilisation, and this is also a matter to promote bodily happiness. Formerly, they wore skins, and used as their weapons spears. Now, they wear long trousers, and, for embellishing their bodies, they wear a variety of clothing, and, instead of spears, they carry with them revolvers containing five or more chambers. If people of a certain country, who have hitherto not been in the habit of wearing much clothing, boots, etc., adopt European clothing, they are supposed to have become civilised out of savagery. Formerly, in Europe, people ploughed their lands mainly by manual labour. Now, one man can plough a vast tract by means of steam-engines, and can thus amass great wealth. This is called a sign of civilisation. Formerly, the fewest men wrote books that were most valuable. Now, anybody writes and prints anything he likes and poisons people's minds. Formerly, men travelled in wag-gons; now, they fly through the air in trains at the rate of four hundred and more miles per day. This is considered the height of civilisation. It has been stated that, as men progress, they shall be able to travel in airships and reach any part of the world in a few hours. Men will not need the use of their hands and feet. They will press a button, and they will have their clothing by their side. They will press another button, and they will have their newspaper. A third, and a motor-car will be in waiting for them. They will have a variety of delicately dished-up food. Everything will be

The Labour Monthly

done by machinery. Formerly, when people wanted to fight with one another, they measured between them their bodily strength; now it is possible to take away thousands of lives by one man working behind a gun from a hill. This is civilisation. Formerly, men worked in the open air only so much as they liked. Now, thousands of workmen meet together and for the sake of maintenance work in factories or mines. Their condition is worse than that of beasts. They are obliged to work, at the risk of their lives, at most dangerous occupations, for the sake of millionaires. Formerly, men were made slaves under physical compulsion, now they are enslaved by temptation of money and of the luxuries that money can buy. There are now diseases of which people never dreamt before, and an army of doctors is engaged in finding out their cures, and so hospitals have increased. This is a test of civilisation. Formerly, special messengers were required and much expense was incurred in order to send letters; to-day, anyone can abuse his fellow by means of a letter for one penny. True, at the same cost, one can send one's thanks also. Formerly, people had two or three meals consisting of home-made bread and vegetables; now, they require something to eat every two hours, so that they have hardly leisure for anything else. What more need I say? All this you can ascertain from several authoritative books. These are all true tests of civilisation. And, if anyone speaks to the contrary, know that he is ignorant. This civilisation takes note neither of morality nor of religion. Its votaries calmly state that their business is not to teach religion. Some even consider it to be a superstitious growth. Others put on the cloak of religion and prate about morality. But, after twenty years' experience, I have come to the conclusion that immorality is often taught in the name of morality. Even a child can understand that in all I have described above there can be no inducement to morality. Civilisation seeks to increase bodily comforts, and it fails miserably even in doing so.

This civilisation is irreligion, and it has taken such a hold

Britain, India and Swaraj

on the people in Europe that those who are in it appear to be half-mad. They lack real physical strength or courage. They keep up their energy by intoxication. They can hardly be happy in solitude. Women, who should be the queens of households, wander in the streets, or they slave away in factories. For the sake of a pittance, half a million women in England alone are labouring under trying circumstances in factories or similar institutions.

This civilisation is such that one has only to be patient and it will be self destroyed. According to the teaching of Mahomed this would be considered a Satanic civilisation. Hinduism calls it the Black Age. I cannot give you an adequate conception of it. It is eating into the vitals of the English nation. It must be shunned. Parliaments are really emblems of slavery. If you will sufficiently think over this, you will entertain the same opinion, and cease to blame the English. They rather deserve our sympathy. They are a shrewd nation, and I, therefore, believe that they will cast off the evil. They are enterprising and industrious, and their mode of thought is not inherently immoral. Neither are they bad at heart. I, therefore, respect them. Civilisation is not an incurable disease, but it should never be forgotten that the English people are at present afflicted by it.

§ 3—Why Was India Lost?

READER: You have said much about civilisation—enough to make me ponder over it. I do not now know what I should adopt and what I should avoid from the nations of Europe, but one question comes to my lips immediately. If civilisation is a disease, and if it has attacked England, why has she been able to take India, and why is she able to retain it?

EDITOR: Your question is not very difficult to answer, and we shall presently be able to examine the true nature of Swaraj; for I am aware that I have still to answer that question. I will, however, take up your previous question. The English have not taken India; we have given it to them.

The Labour Monthly

They are not in India because of their strength, but because we keep them. Let us now see whether these propositions can be sustained. They came to our country originally for purposes of trade. Recall the Company Bahadur. Who made it Bahadur? They had not the slightest intention at the time of establishing a kingdom. Who assisted the Company's officers? Who was tempted at the sight of their silver? Who bought their goods? History testifies that we did all this. In order to become rich all at once, we welcomed the Company's officers with open arms. We assisted them. If I am in the habit of drinking Bhang, and a seller thereof sells it to me, am I to blame him or myself? By blaming the seller shall I be able to avoid the habit? And, if a particular retailer is driven away, will not another take his place? A true servant of India will have to go to the root of the matter. If an excess of food has caused me indigestion, I will certainly not avoid it by blaming water. He is a true physician who probes the cause of disease, and, if you pose as a physician for the disease of India, you will have to find out its true cause.

READER : You are right. Now, I think you will not have to argue much with me to drive your conclusions home. I am impatient to know your further views. We are now on a most interesting topic. I shall, therefore, endeavour to follow your thought, and stop you when I am in doubt.

EDITOR : I am afraid that, in spite of your enthusiasm, as we proceed further we shall have differences of opinion. Nevertheless, I shall argue only when you will stop me. We have already seen that the English merchants were able to get a footing in India because we encouraged them. When our princes fought among themselves, they sought the assistance of Company Bahadur. That corporation was versed alike in commerce and war. It was unhampered by questions of morality. Its object was to increase its commerce and to make money. It accepted our assistance, and increased the number of its warehouses. To protect the latter it employed an army which was utilised by us also. Is it not then useless

Britain, India and Swaraj

to blame the English for what we did at that time? The Hindus and the Mahomedans were at daggers drawn. This, too, gave the Company its opportunity, and thus we created the circumstances that gave the Company its control over India. Hence it is truer to say that we gave India to the English than that India was lost.

READER : Will you now tell me how they are able to retain India?

EDITOR : The causes that gave them India enable them to retain it. Some Englishmen state that they took, and they hold, India by the sword. Both these statements are wrong. The sword is entirely useless for holding India. We alone keep them. Napoleon is said to have described the English as a nation of shopkeepers. It is a fitting description. They hold whatever dominions they have for the sake of their commerce. Their army and their navy are intended to protect it. When the Transvaal offered no such attractions, the late Mr. Gladstone discovered that it was not right for the English to hold it. When it became a paying proposition, resistance led to war. Mr. Chamberlain soon discovered that England enjoyed a suzerainty over the Transvaal. It is related that someone asked the late President Kruger whether there was gold in the moon? He replied that it was highly unlikely, because, if there were, the English would have annexed it. Many problems can be solved by remembering that money is their God. Then it follows that we keep the English in India for our base self-interest. We like their commerce, they please us by their subtle methods, and get what they want from us. To blame them for this is to perpetuate their Power. We further strengthen their hold by quarrelling amongst ourselves. If you accept the above statements, it is proved that the English entered India for the purposes of trade. They remain in it for the same purpose, and we help them to do so. Their arms and ammunition are perfectly useless. In this connection, I remind you that it is the British flag which is waving in Japan, and not the Japanese. The English have a treaty with Japan for the sake of their com-

The Labour Monthly

merce, and you will see that, if they can manage it, their commerce will greatly expand in that country. They wish to convert the whole world into a vast market for their goods. That they cannot do so is true, but the blame will not be theirs. They will leave no stone unturned to reach the goal.

§ 4—How Can India Become Free?

READER: I appreciate your views about civilisation. I will have to think over them. I cannot take in all at once. What, then, holding the views you do, would you suggest for freeing India?

EDITOR: I do not expect my views to be accepted all of a sudden. My duty is to place them before readers like yourself. Time can be trusted to do the rest. We have already examined the conditions for freeing India, but we have done so indirectly; we will now do so directly. It is a world-known maxim that the removal of the cause of a disease results in the removal of the disease itself. Similarly, if the cause of India's slavery be removed, India can become free.

READER: If Indian civilisation is, as you say, the best of all, how do you account for India's slavery?

EDITOR: This civilisation is unquestionably the best, but it is to be observed that all civilisations have been on their trial. That civilisation which is permanent outlives it. Because the sons of India were found wanting, its civilisation has been placed in jeopardy. But its strength is to be seen in its ability to survive the shock. Moreover, the whole of India is not touched. Those alone who have been affected by western civilisation have become enslaved. We measure the universe by our own miserable foot-rule. When we are slaves, we think that the whole universe is enslaved. Because we are in an abject condition, we think that the whole of India is in that condition. As a matter of fact, it is not so, but it is as well to impute our slavery to the whole of India. But if we bear in mind the above fact, we can see that, if we become free, India is free. And in this thought you have a

Britain, India and Swaraj

definition of Swaraj. It is Swaraj when we learn to rule ourselves. It is, therefore, in the palm of our hands. Do not consider this Swaraj to be like a dream. Hence there is no idea of sitting still. The Swaraj that I wish to picture before you and me is such that, after we have once realised it, we will endeavour to the end of our lifetime to persuade others to do likewise. But such Swaraj has to be experienced by each one for himself. One drowning man will never save another. Slaves ourselves, it would be a mere pretension to think of freeing others. Now you will have seen that it is not necessary for us to have as our goal the expulsion of the English. If the English become Indianised, we can accommodate them. If they wish to remain in India along with their civilisation, there is no room for them. It lies with us to bring about such a state of things.

NOTE.—With reference to the article on India published in our last issue we have received the following statement from Mr. B. G. Horniman, which we have pleasure in publishing.—ED., LABOUR MONTHLY.

In the foreword to my review of Sir Valentine Chirol's "India, Old and New," in your last issue, you describe me as one who "hopes to retain India within the British Empire." I hope that India will, when she gains her freedom, admit the English people to some sort of fruitful association with her, but I have no hope regarding the British Empire, except that it will come to a speedy end and be the last association of its kind for the subjection and exploitation of the human race.—B. G. HORNIMAN.

March 30, 1922.

THE REAL POWER BEHIND THE GERMAN GOVERN- MENT

OR

The Post-War Concentration of Capital in Germany

PART I

By M. PHILIPS PRICE

HERR WIRTH has now been in power in Germany for nearly a year. He has earned the reputation with the Entente Embassies in Berlin and the Inter-Allied Commissions in Paris of being head of a Government which stands for "loyal fulfilment" of the Versailles Treaty. But at the same time his Government is nearly always in a state of internal crisis. The Coalition parties, which nominally stand behind it and include the Democrats, Catholic Centrum, and the Majority Socialists, are openly in favour of propitiating France at all costs. The People's Party, which is nominally outside the Government, declares itself for an energetic campaign against Versailles and Wiesbaden, and is always using its balancing votes in the Reichstag to create a crisis, which usually ends in the appointment of one of its nominees to an important Government post. Having secured the appointment, the Party then drops the agitation against "loyal fulfilment" until the opportunity arises for another appointment. Meanwhile its chief spokesman and patron, Hugo Stinnes, demands "business methods" in the State departments and denationalisation of the public services. He attacks the versatile Dr. Rathenau, hitherto the

Real Power Behind the German Government

chief adornment of the Government and of the Democratic Party, for his conciliatory attitude towards France, although his own nominees, who sit in the Government, are equally responsible for this policy. As for Dr. Rathenau, his zeal, displayed at Cannes, for "business methods" and the balancing of Budgets by liquidation of the last vestiges of public control on private industry, is no whit behind that of Herr Stinnes. What is the difference then between the personalities and parties, which, in thus contending for office, cause a state of almost permanent crisis in the Wirth Government?

In this connection it is a significant fact that the two men most closely associated in the public mind with this internal struggle, Herr Stinnes and Dr. Rathenau, should both be the heads of two giant industrial concerns. Nor is this an accident, for these concerns and all that they stand for are the greatest political factors in modern Germany. It is not the corn of the Prussian junkers that weights the political scales at the Wilhelmstrasse to-day, but the coal of the Mülheim magnate and the electric cables of Oberschoneweide.* If, therefore, we are to learn anything about the forces that are at work behind the scenes in Germany, we must begin by studying the development that has taken place since the war in the great industrial concerns of the country. This study is intricate and somewhat tedious, but it is none the less essential, for only then do "loyal fulfilments," "business methods," "denationalisation of railways," taxation compromises and all the slogans of German political life to-day begin to have any meaning. I propose to introduce the reader to a short study of this problem with the avoidance of unnecessary details.

Up to the war German raw material and finishing industries were in the hands of a large number of concerns, which maintained independent existences. The names of Stinnes, Thyssen, Kirdorf, Klöckner, Haniel, Mannesmann,

* The suburb of Berlin, where the great A.E.G. works are situated.

The Labour Monthly

Stumm, and others, stood at the head of the most important coal- and iron-mining, smelting and steel-rolling companies; those of Siemens, Rathenau and Erhardt of those for general and electrical engineering. The capital of not one of these concerns was much over 200 million marks at this time, and was in most cases much less. Owing to the increasing competition for markets a tendency had arisen at the end of the 'nineties of last century to form syndicates or "kartels" for the regulation of prices and the sharing of orders in each branch of industry. Thus the Rheinisch-Westfälische Kohlsyndikat and the Steel Union came into existence, and means were thereby devised for broadening the basis of production, avoiding cut-throat competition, sharing markets and spheres of influence, and for thereby preserving the independence of individual concerns. But already by the beginning of the century a new development began to appear in the form of the "mixed business." The "horizontal kartel," embracing only one branch of industry, began to give place to industrial group organisations, which had interest not only in coal mining, but also in steel rolling or in general engineering. The vertical trust, dealing with everything from the raw material to the finished article, began to break down the "horizontal kartel."

The period of industrial organisation in which the "horizontal kartel" predominated in pre-war Germany was largely the work of the great banks. Finance capital at that time dominated industry. The economic development of the world was proceeding comparatively peacefully, surplus values were flowing readily to the colonial areas, and coming back regularly in the form of concessions. There was, in spite of armaments, confidence that international engagements would be kept, and so credit played a large rôle in industry, and banking institutions stood behind most big enterprises. Bank directors sat on the boards of industrial concerns and had a large say in policy. Through their influence on Ministers and on Government Departments, the banks had a large influence over foreign policy, were largely

Real Power Behind the German Government

behind the "Drang nach Osten," and were in constant conflict with junker agrarian interests at home.

The advent of the war changed all this. The enormous Government orders for materials secured an unlimited, if fictitious, market for the operations of industrial capital. It was no longer necessary to hunt for outlets for surplus values or to share spheres of influence. The artificial boom enabled the industrial concerns to free themselves from the banks; all the more so as the rapid inflation of currency made the paying off of mortgages, originally taken up in gold, a comparatively easy transaction. Thus the "horizontal kartel" largely lost its *raison d'être*. On the other hand, the growing scarcity of raw materials put increasing power in the hands of the coal and iron magnates, who were soon able to dictate terms to the finishing industries. It then frequently happened that the "horizontal kartel" in one branch of industry began to dominate over that of another, till it finally swallowed it and became vertical.

The process of vertical trust building was held somewhat in check by the State control of prices and other measures of "war Socialism." But the speed with which the heavy industries after the war secured the liquidation of "Zwangswirtschaft," showed how intent they were on removing the last barrier to the uncontrolled development of the vertical trust. And with the defeat of the movement for socialisation in 1919 their success was made doubly secure. The Revolutionary Government of November, 1918, had it consisted of people who understood how to use their opportunities and who felt the need of the moment, would have set to work to convert the "horizontal kartels" and other creations of war Socialism into State trusts, in which the unearned increment accrued to the producing and consuming public. On this period of German history the non-Socialist economist, Dr. Felix Pinner, has written in the *Berliner Tageblatt*:

"During 1919 the whole public life of Germany was dominated by one idea—the socialisation of key industries. If these demands were not realised, the cause lies not only in the resistance of the

The Labour Monthly

employers but of the leaders of the Social Democracy, who showed themselves unwilling to take any steps in this direction."

Thus the vertical trust under private control became the most important factor in German industry from 1919 onwards. It was not really an advance on the "horizontal kartel" from a social-economic standpoint, nor even from the standpoint of technique and efficiency. The latter did at least indicate a certain technical progress, and might be regarded as the forerunners of collectivist economy. The vertical trusts, however, have no such advantage. Their purpose is mainly to provide organisations for Capitalism, which shall have the masses completely at their mercy, and by concentration shall be able to grip the apparatus of the State by the throat. By interlocking key with finishing industries they make it more difficult for any political power in the land to bring them under public control, while they are at liberty to restrict production and force up prices at will.

During 1920 and 1921 it has been possible to observe the development in Germany of two gigantic vertical trusts. Formed out of the original units of the "horizontal kartels," they now overshadow all other industrial concerns. They are engaged in a silent but bitter contest with each other for hegemony in Germany. They have secured allies in mutually competing industrial and financial groups in former enemy countries. On occasions, however, they work together, when joint action is necessary to protect themselves from the demands of German Labour and the consuming public.

In order to see the power which these two trusts have over the public life of Germany, it is necessary to study their ramifications in the industrial and banking world. Let us take first the much-advertised Rhine-Elbe Union, at the head of which is Herr Stinnes. The parent firm of this Union is the Deutsch Luxemburg A.G., which had already become a vertical trust by 1921 with a capital of 260 million marks. Its properties included twelve collieries in the Ruhr, with coking and by-product plants, five smelting furnaces, one steel rolling mill, iron mines in Sigerland-Westfalia,

Real Power Behind the German Government

Neuwied and Oberfranken, the shipbuilding yard "Nord-seehaven" (Bremen), the iron-ware trading company, J. Schock and Co. (Zürich), and the engineering firm, Wilhelm Heinrich (Düsseldorf). Until the Armistice the firm owned large iron-mining properties in Lorraine and Luxemburg—"Eisenstein Bergwerke Empel," "Lothringer Minnette Konzern," "Saar and Mosel Bergwerke A.G." (Karlingen), and the "Differdinger Eisen and Kohle A.G." After the Armistice these properties were taken over by a French banking and industrial group, called the "Société des Hautes Furneaux et Acières de Differding." The latter paid the Deutsch Luxemburg a large sum in cash and agreed to supply it for ten years with 300,000 tons of iron ore annually. In 1919 the Deutsch Luxemburg also received a large subsidy from the German Government, as recompense for mines expropriated under the armistice, on condition that the money was used for raising coal production in the Ruhr. Thus the Deutsch Luxemburg came out of the war well supplied with cash, not only from the Fatherland, but from the Fatherland's enemies. On its Board now sits Stinnes, Kirdorf (representing Gelsenkirchen Verein; see below), Karl von Siemens (representing Siemens-Schuckert; see below), G. von Simson (Bank für Handel und Industrie), Karl von Deichmann (Dresdner Bank), Arthur Solomonsohn (Disconto Gesellschaft), and Herr Urbig (private banks). From all these banks the Deutsch Luxemburg had borrowed money in times past, but had during the war almost paid off its debts.

In 1920 the Deutsch Luxemburg concluded an agreement with the Gelsenkirchen Bergwerke A.G. for a mutual exchange of share capital and of seats on each other's directorates. The latter firm, with a capital of 318 million marks, owns 35 coal pits in Ruhr, and formerly owned properties in the Urals, Luxemburg and Lorraine. In Luxemburg these included "Adolf Emil Hütte," "Hochofen Esch und Gruben," and the "Aachener Hüttenverein"; in Lorraine the "Hochofen Oth" with iron mines. After the armistice the Luxemburg properties were taken over by the French and

The Labour Monthly

Belgian banking and industrial group, "Société Métallurgique de Terre Rouge." The Gelsenkirchen firm received 55 million francs in cash, 40 million francs in 5 per cent. Belgian State Bonds, and an annuity of 2 million francs for 30 years. The Lorraine properties were taken over by the "Société Minières de Terre Rouge," which paid 20 million francs down in cash. Thus here again the German firm got away with a large sum of French money, which has remained chiefly in banks in neutral countries, and has returned to Germany as non-German capital. On the board of directors of the Gelsenkirchen A.G. are Emil and Adolf Kirdorf (original owners), Hugo Stinnes, Arthur Solomonsohn (Discontobank), G. von Simson (Bank für Handel und Industrie), Emil Oppenheim (Reichsbank). Bank debts have been mostly paid off since the war.

The third pillar of the Rhine-Elbe vertical trust is the Bochumer Verein für Bergbau und Gussstahlfabrikation. It has a capital of 70 million marks, 95 engineering shops, 5 blast furnaces, 10 steel-roller mills, 2 steam-hammer plants, and iron mining properties in Spain and Sweden ("Natrop"). The armistice has left this company's iron properties intact. The Berliner Handelsgesellschaft, the Deutsche, Dresdner and Disconto Banks, Schaffhausen Bankverein and Deichmanns Bank have all lent money to the concern in the past and are represented on the board.

In January, 1921, the above-mentioned three iron and coal mining, smelting and steel-rolling concerns moved one step further up the vertical ladder by acquiring, by agreement for exchange of share capital and interlocked directorates, the great electrical engineering concern Siemens-Schuckert (Berlin) and Siemens-Halske (Nürnberg). Formerly connected by a "horizontal kartel" with its present rival, the A.E.G., these two concerns had broken away some years before and now entered the vertical trust, which became known henceforth as the Rhine-Siemens-Schuckert-Elbe Union. This union extended during 1921 still further into the region of the finished industries. It acquired large forests in East

Real Power Behind the German Government

Prussia, the Königsberger Celluloid A.G. and a large number of newspapers to impress its industrial policy on the Government. In the sea-carrying trade it was less successful, for after getting a foothold in the Hamburg-Amerika Line, it was forced out by the joint efforts of the original holders and the Harriman interests in America. It acquired, however, the shipbuilding yards "Artus" and "Poseidon" on the Baltic, and founded its own "Sudamerika Linie" with several transatlantic liners. Further it got a foothold in the great international combine which has extracted from the Bavarian Government, since the collapse of the Munich Soviets, the sole right to exploit the water power of the Walchersee and Mitteliser. In this "Bayerische Wasserkraftwerke" German (Rhine-Elbe), Swiss (Züricher National bank), French (Paris Pierpont Morgan), and American (New York Pierpont Morgan) capital is invested.

The Rhine-Elbe Union has an officially stated capital of 615 million marks, but the real figure is much nearer 1 milliard marks. It has so strengthened its position since 1921 that, in spite of Versailles, it has been able to embark again on the road of economic Imperialism. I have already noted that it has acquired a large block of French money values on the liquidation of its Lorraine and Luxemburg properties. Previous to the defeat of the German army, however, Stinnes, who had knowledge of the coming defeat already in the late summer of 1918 through his close connection with the German General Staff, succeeded in getting a large block of his capital into Holland, where he founded the Promontana A.G., a bank, registered as a Dutch company and doing business for him there under cover of a neutral flag. The money of the Promontana A.G., re-invested in Germany, comes in as "Dutch" capital. He has another 32 million francs of Swiss money invested through the Sichel bank in Switzerland. Another part of Stinnes' capital, invested after the armistice in neutral lands, goes to exploit other "colonial areas" besides Germany, viz., Austria and Czecho-Slovakia. Through the Italian-Austrian-Jewish financier, Castiglione (an arch-

The Labour Monthly

Ententist during the war), the Rhine-Elbe Union has now acquired control of the greatest iron mining concern in South-East Europe—the Alpino-Montana A.G. in Austria—where labour is even cheaper than in Germany. In order to avoid difficulties with Schneider-Creusot and other French concerns and banks, competing with him in South-East Europe, Stinnes has arranged that capital of the Rhine-Elbe Union shall operate in Austria as “Austrian” capital, whereby it escapes the restriction and disabilities of the sanctions. In Czecho-Slovakia also it has acquired the Witkowitz (Ostrau) coal mines, with an annual output of one million tons of coal, and operates here as “Czecho-Slovak” capital. Through the Alpino-Montana A.G. it also has control over the Italian mining properties, “Luli.”

The Rhine-Elbe Union is a vertical trust, whose strength is built up fundamentally on coal, iron and the raw materials of the finishing industry. Being bound to play second fiddle to the French coal and iron interests, as far as deliveries under the Spa agreement are concerned, it is not yet in a position to enter the world market as an independent factor. Its anti-French policy is chiefly influenced by the fact that, being largely interested in acquiring a decisive influence on the coal and iron market of the world, it chafes under the Spa agreement, which checks the growth of that influence. It is not unreasonable to suppose, however, that if, under English pressure, the French coal masters agree to allow the Spa coal deliveries to take place at the world market prices or somewhere near them, the interests of the Rhine-Elbe and of the French will tend to coincide and a joint combine may form against English coal producers. As I have shown above, however, the Rhine-Elbe Union is involved in the finished industries also, for which a rise in coal prices to the level of the world market spells heavy loss. But this is not its chief interest, which remains always in the basic metals—the raw materials. This interest is also reflected in its international policy, which is more aimed at acquiring further coal and iron mining concessions in colonial areas than in conquering mar-

Real Power Behind the German Government

kets for the export of finished goods; hence Stinnes' great inclination to penetrate into Russia and South-East Europe for concessions. In the latter region he is already well established, but in the former he seeks partners. His momentary hostility to the French mining interests makes him seek partners in English banking houses, who are contemplating the penetration of North Russia from the Baltic seaboard.

The Rhine-Elbe Union has become its own banker. But its immensely rapid development in the last three years has tended to give it an inflated character. The Union is known to have not too much ready cash. Its failure to acquire a share in the consortium, led by the Russo-Asiatic Consolidated, last autumn for the exploitation of iron and copper in the Urals can be put down to this cause. There is a danger that it may, if a large fall in prices were to come in Central Europe, collapse, for its prosperity is built up solely on a rising market. If deflation were to come, the bankers, who now sit without much influence on its boards, would then have a decisive voice, as they used to have before the war.

Another important feature of this vertical trust is that its capital is almost entirely held by Germans. Any participation in it of French, German and American capital has not yet taken place. Though it has much capital abroad in non-German currencies, it is really German capital under foreign names. The Rhine-Elbe Union is a national trust also in the sense that it so loves the German people that it would not part with one penny of the tribute it receives from them. Its tendency to regard Germany as an exploitable area, and its constant agitation through its Press for the denationalisation of the great public services and the abolition of the 8-hour day, is only one indication of its desire to bring all Central Europe to its feet, to make every German man, woman and child its maker of strawless bricks. Then it can turn round to the Pharaohs of the international finance consortium of the future and offer them its prize, as the price of the demolition of the Versailles and Spa Treaties and an equal share in the spoils.

(To be continued.)

AMERICAN IMPERIALISM IN HAITI

By LEWIS S. GANNETT

(Associate Editor of the "New York Nation")

I AM an American, therefore French policy in Syria and Senegal, like British policy in Egypt and India, and Japanese policy in Korea and Siberia, is a deliberately greedy and wicked use of force for imperial ends; but American policy in subjugating Haiti and Santo Domingo is a rather accidental example of the way in which a powerful and altruistic people is sometimes forced to take over territory in the interest of backward peoples, and the Haitians and Dominicans who protest against American military control and demand their independence are an ignorant, unrepresentative pack of misguided trouble-makers. Any Englishman or Frenchman should understand that; for, being English, the one understands that the British Empire is in the nature of a philanthropic institution for the care of homeless parts of the earth, and, being French, the other knows of the ancient and historical yearning of the Syrians for French domination, and of the touching eagerness with which the Senegalese and Malagasies spring forward to maintain the *Wacht am Rhein*. And both know, of course, that all other empires but their own are abominations in the sight of the Lord.

Except the American. The American Empire is still too little known in Europe. It is, to be sure, very young, and it has been obscured by the bright light of Wilsonian and Marionette idealism. We do not, like the British, boast about our Empire—we talk of other people's empires in-

American Imperialism in Haiti

stead. Indeed, we hardly know it is there. But Britons should; it is part of the business of a good modern Briton to denounce other people's empires. There are still old-fashioned Liberals who prefer to maintain the courtesies of debate and to be silent about the shortcomings of others. But America refuses to be silent. She has all the blatant—and usually healthful—vulgarity of youth. She feels that her insistent intrusiveness has helped to free Ireland; and she is perfectly ready to talk about Syria or India or Korea or anybody else's conquered provinces next. Europe's only effective answer is to talk about America's conquered provinces—and if she, too, would forget the courtesies of debate and spit back *tu quoque* when America cries "imperialist," it might have a healthy influence all round.

America's imperialism is not, of course, as recent as her invasion of Haiti and Santo Domingo. Her entire history is one of colonial expansion—she almost wiped out the Red Indian and drove the Spaniard out of Texas and the South-West before she had attained the modest national age of three score years. But having thus acquired an immense territory, it took years to fill it up, and it is only in recent years that she has seriously attacked the manifest problem of subjugating the rest of the Americas. Her crude and relatively unsuccessful attempts to take over Mexico are better known in Europe than the more typical cases of Haiti and Santo Domingo. Mexico, after all, is a nation of 15 million souls; Haiti, the only Negro Republic outside of Africa, has only 2 million; Santo Domingo, less than 1 million; while between Mexico and the Panama Canal are half a dozen Republics almost as small, in most of which the game has already been begun. American marines control the destinies of Panama and Nicaragua; an American fruit company, which owns more than 90 per cent. of the railways of Costa Rica, has almost that degree of control of its politics; a convenient revolution has just upset an unfriendly government in Guatemala, and Honduras and Salvador also are beginning to have their troubles with North

The Labour Monthly

American banks and with the State Department in Washington.

The story of American control in Santo Domingo is long. Suffice it to say that the country to-day is without a government of its own, that it is ruled, with the aid of martial law and censorship, by officers and men of the United States Marine Corps (a navy paymaster acts as Secretary of the Treasury), and that by executive decree the inhabitants are not permitted even to elect a town council. To their everlasting credit be it said that the Dominicans as one man stand out against this interference, and that when the United States offered to withdraw its troops on condition that the Dominicans sign a convention ratifying all the Acts of the Occupation, including the new land laws and the loan (at 14 per cent. interest) which had been forced upon them, the Dominicans firmly refused.

This, of course, was accomplished under cover of the war, when Europe was too busy with other things to bother to protest against Uncle Sam's eccentricities in the Caribbean. So was the seizure of Haiti, which, however, was a somewhat subtler process. In Santo Domingo the Americans simply put the Dominican Government out; in Haiti they set up one of their own. This is the story:

American banking interests had before the war a one-fifth ownership and partial control of the National Bank of Haiti, and also held the bonds of the national railroads. After the outbreak of the war the representatives of these American interests assumed a large part of the management of the bank at the request of the French participants. It is also important to know that the United States had several times tried to obtain Mole St. Nicholas as a naval base. The island of Haiti lies between Cuba and Porto Rico, and is an important link in the chain of islands screening the Panama Canal. Messages which passed between Washington and the commander of the American naval forces in Haiti during the critical period of the intervention, which have just become public, show the United States still seek-

American Imperialism in Haiti

ing the acquisition of Mole St. Nicholas. This interest apparently passed with the firm establishment of American occupation in Haiti, it became unnecessary.

As early as December 13, 1914, the United States, without any preliminary warning to the Haitian Government, landed marines at Port-au-Prince from the U.S.S. "Machias"; these marines proceeded to the vaults of the National Bank of Haiti and carried away by force \$500,000, which was taken on to the "Machias" and carried to New York. This coup was arranged with Mr. Bryan, Secretary of State, by the one American director of the National Bank of Haiti, who happened also to be vice-president of the National City Bank of New York. The excuse given was that the bank feared revolutionary activities, and owing to the European War could not secure ocean insurance upon the carriage of this money to the United States. This money belonged, not to Americans or Europeans, but to the Haitian Government, and was merely in the custody of the bank to redeem outstanding paper currency. The Haitian Government protested immediately against this violation of its sovereignty and asked for an explanation, which was never vouchsafed. After the occupation, to be sure, the money was returned to Port-au-Prince and credited to the account of the Haitian Government.

On six occasions during 1914 and 1915 the United States made direct overtures to secure control of Haitian customs; all of these were rejected by the Haitian Republic. Finally, the disturbances of July 27, 1915, afforded the pretext for securing control. The murder of the President followed a massacre of political prisoners. For the moment there was no Haitian Government, but in the disturbances no foreigners were killed or molested. The following day American naval and marine forces in Haitian waters under the command of Admiral Caperton, landed and occupied Port-au-Prince, and shortly afterwards the other principal ports and towns in the Republic. The admiral's messages of those days to the Navy Department state specifically that

The Labour Monthly

he had acquired and exercised control of the Republic, and that governmental functions were being carried on by a body of citizens acting under his directions. A few days later he directed this committee of citizens to resign, and gave orders for the restoration of the government treasury service to the National Bank of Haiti, from which, because of an American banking coup, it had been removed by the Haitian Government.

The Haitian Chambers were in session, and were about to proceed to the election of a new President, but under orders from the State Department Admiral Caperton twice "induced" the Chambers to postpone the election. Several universally respected Haitian citizens were asked to be candidates for the Presidency, but all refused. One of them, M. Léger, former Minister at Washington, characterised by Lord Pauncefote as "the ablest diplomat he had ever known," refused upon the ground that he was for Haiti, not for the United States. When Sudre Dartiguenave, President of the Senate, proclaimed himself a candidate for election to the Presidency of the Republic, and offered, if elected President, to accede to any terms which the United States might wish, Admiral Caperton delightedly notified Washington. He also frankly advised that breaking up the bands of revolutionaries by United States forces was imperative if the United States desired at this time "to negotiate treaty for financial control of Haiti." The United States State Department, "by the instruction of the President [Mr. Wilson]," thereupon requested the Navy Department to send a sufficient force of marines, and Caperton was instructed that the United States favoured the election of Dartiguenave. The Navy Department directed the Admiral "by proclamations and otherwise to assure the Haitians that the United States had no aim except to insure, establish and help maintain Haitian independence, and the establishment of a firm and stable government by the Haitian people. . . . It is the intention to retain United States forces in Haiti only so long as will be necessary for this

American Imperialism in Haiti

purpose." That was more than six years ago, and the financial treaty and more have happened since.

M. Dartiguenave was elected President, Admiral Caperton's chief-of-staff being on the floor of the hall during the voting, and American marines guarding the approaches. On August 14, two days after the election of Dartiguenave, the State Department instructed the American Legation at Port-au-Prince to submit to the Haitian President at once the draft of a treaty providing for the control of customs and finances, and for military intervention by the United States; the Legation was instructed to advise the Haitian President that "the Haitian Congress will be pleased to pass forthwith a resolution authorising the President-elect to conclude without modification the treaty submitted by you." Such a treaty was submitted on August 17. On August 19, Admiral Caperton was notified that the State Department desired him, without waiting for a treaty, to assume charge of the ten principal customs houses in Haiti, to collect the customs dues, and to use the funds for the organisation of a constabulary and temporary public works. The funds were to be deposited in separate accounts in the name of Admiral Caperton, the United States Government holding them "in trust for the people of Haiti." Admiral Caperton carried out these instructions; between August 21 and September 2 he seized the customs houses at the ten principal ports. For several months naval officers collected all customs dues and made all disbursements. This deprived the Haitian Government of all income whatsoever, as the customs houses were practically the sole sources of national revenue.

The seizure of the customs houses aroused the strongest opposition on the part of the people, and even M. Dartiguenave was moved to protest. No explanation or apology was ever offered by the Government of the United States.

By early September the augmented forces under the command of Admiral Caperton were in complete control of all the principal towns and routes in Haiti, had seized all the

The Labour Monthly

sources of national revenue, were controlling all the national funds, and expending these funds directly, without turning over any portion of them to the Haitian Government. Public order and the public purse were completely in the hands of the Navy Department. On September 3, 1915, Admiral Caperton went further; he declared martial law in the City of Port-au-Prince in these beautiful words:—

“ . . . In order to afford the inhabitants of Port-au-Prince and other territory hereinafter described the privilege of the Government, exercising all the functions necessary for the establishment and maintenance of the fundamental rights of man, I hereby, under my authority as commanding officer of the forces of the United States of America in Haiti and Haitian waters, proclaim that martial law exists in the city of Port-au-Prince and the immediate territory now occupied by the forces under my command.

“ I further proclaim, in accordance with the law of nations and the usages, customs and functions of my own and other Governments, that I am invested with the power and responsibility of Government in all its functions and branches throughout the territory above described; and the proper administration of such Government by martial law will be provided for in regulations to be issued from time to time, as required by the commanding officer of the forces of the United States of America in Haiti and Haitian waters.

“ The martial law herein proclaimed, and the things in that respect so ordered, will not be deemed or taken to interfere with the proceedings of the constitutional Government and Congress of Haiti, or with the administration of justice in the courts of law existing therein, which do not affect the military operations of the authorities of the Government of the United States of America. . . .”

Still the treaty lagged. On September 8 the Admiral sent this message to the commanding officer of the battleship “Connecticut” in Northern Haitian waters:—

“Successful negotiation of treaty is predominant part present mission. After encountering many difficulties treaty situation at present looks more favourable than usual. *This has been effected by exercising military pressure at propitious moments in negotiations.* Yesterday two members of Cabinet who have blocked negotiations resigned. President himself believed to be anxious to conclude treaty. At present am holding up offensive operations and allowing President

American Imperialism in Haiti

time to complete Cabinet and try again. Am therefore not yet ready to begin offensive operations at Cape Haitien but will hold them in abeyance as additional pressure. Take no offensive action except such necessary to protect life and property and hold town for the present. Keep me fully informed of food situation."

The treaty was finally signed by the Haitian Government on September 16, 1915, but it required a judicious retention of pay due to certain functionaries—a financial transaction carried out by the Admiral on instruction from Washington—to put it through.

This treaty, consisting of sixteen articles, promised aid by the United States to Haiti "in the proper and efficient development of its agricultural, mineral and commercial resources, and in the establishment of the finances on a firm and solid basis"—aid which never came; it provided for a receivership of customs, including the collection and application of all customs dues; the appointment of a financial adviser to deal with all the financial matters of Haiti; and for the selection of a native constabulary, to be officered by Americans; it put the sanitation and engineering works of the country under the control of American engineers, and, in general terms, bound the United States to help Haiti to maintain an "independent" government adequate for the protection of "order."

In the spring of 1917 the Senate and Chamber of Deputies were in session considering a draft, submitted by American officials, of a new constitution for Haiti. There was bitter opposition to a provision to allow foreigners to acquire and own land. Haiti had proudly kept her land in her own hands. So the puppet President dissolved the Chambers with the help of armed American marines. Since then there have been no elections and no sessions of the Chambers. But the new constitution was unconstitutionally foisted upon Haiti, none the less, by a plebiscite, at which American marines guarded the polls and no one dared vote "No."

So Haiti became, while still in name an independent and

The Labour Monthly

sovereign Republic, in fact a conquered colony. Incidentally, in "maintaining order," the marines have killed 3,000 Haitians, the Haitians having killed about 20 marines. A Napoleonic rifle is a weak weapon against the modern machine-gun. Complaints of military atrocities are rife—as in all colonies where men of "higher civilisation" are given unrestricted power. There is also the story of the *corvée*—enforced labour, virtual slavery, at road-building. American occupation has built no schools, has not developed agriculture, nor improved health. The officers point with pride to one great military road as their sole constructive achievement—that and the new constitution, which allows American sugar companies to hold land, and the financial control of the island by the National City Bank of New York.

Meanwhile we have had our commissions, too. The latest is a senatorial commission headed by Medill McCormick. It has just reported in classic style that things have been pretty bad, but are getting better, and it thinks the marines should stay, which is quite in the great tradition of commissions in other empires. There will be more commissions to Haiti, to Santo Domingo, to Nicaragua, Costa Rica, Guatemala, as the tide of empire moves South. The basis of intervention is widening almost daily in these days of American money-lending. Even Peru, South of the Equator, has just had to pledge her customs for an American loan. Haiti is small but of importance, because typical of what is coming all the way to the Panama Canal and South of it—unless something happens to turn the tide.

The Haitians are beginning a boycott of American goods. The Dominicans are appealing to their fellow Spanish speakers in South America; the Americans of the United States, of course, are looking the other way; but what are you Europeans going to do about it?

SOCIALISTS AND THE NEXT WAR

A Criticism: With Suggestions Towards a New Policy

By A. B. ELSBURY

ONE of the most surprising features of the post-war period has been the almost complete absence of discussion upon the correctness of the attitude adopted by British Socialists during the last war, together with an unwillingness to discuss the policy which should be applied by them in the wars which are impending.

Unless we believe that the war just concluded was indeed the last of all wars, it seems obvious that discussion on these lines is advisable and even a necessity, and the sooner such discussion is commenced the better and more feasible will be the policy which must finally be adopted.

As a basis for such discussion, it may be laid down that the policy which must finally be adopted by a Socialist organisation will be one most likely to assist Socialists in their propaganda work during the war period. The objective being Socialism, and the weapon with which to achieve it the Socialist organisation, the policy to be adopted must necessarily have as its main consideration the framing of lines of activity likely to result in the greatest benefit to the movement as a whole, irrespective of the individual and minor inconveniences inseparable from the adoption of any kind of policy whatsoever. That which it is considered will assist Socialism, will be formulated and accepted as against other proposals which may have everything in their favour saving their direct utility to the Socialist cause.

Examining the attitude of Socialists during the war, we will leave out of account the actions of the Chauvinist Social-

The Labour Monthly

ists, who were, after all, but a small proportion of the Socialist movement of that time. To discuss their attitude to-day would be very largely a "flogging of dead horses," and the fact that similar Social Patriots will emerge, inevitably, in the next war, will in all probability prove an equally negligible factor and may therefore be left out of the scope of the discussion.

The attitude of the Socialists previous to the introduction of Conscription may not unfairly be characterised as the nebulous one of "Pacifism." Their antagonism to the war, which they accused of having economic origins, in no way caused their actions to differ from those of the moral or religious opponents of the war, who saw in it merely an exhibition of mental aberration. Despite the fact that many of the Socialists claimed to be Marxians, accepting in full the Materialist Conception of History, their antagonism to the war, as demonstrated by their actions, showed little if any difference from those adopted by the purely ideological Pacifist working against Militarism on the pure ethics of bourgeois right and wrong. Along with the stream of Conscientious Objectors objecting to the taking of human life under any and every circumstance on humanitarian grounds, these Marxians, firm believers in the Class War, as also in future revolutionary wars for working-class domination, were swept along and rendered indistinguishable from their ideological comrades of the guard room and prison. By their conduct, precept and propaganda they showed themselves to be average members of the "war against war" movement, their olden-time scorn of the "Revisionist" laid carefully aside for the duration of the war.

Where Socialist meetings were held, it became customary to expect the appearance of non-Socialist speakers on the platforms, there by virtue of their anti-war opinions alone. Numbers of "pure and simple" Pacifists joined the Socialist branches entirely on account of their common anti-war ground, until, in some of the branches, the Socialist atmosphere departed almost entirely.

Socialists and the Next War

The introduction of Conscription encouraged this temporary departure from Socialist objectives, and the absence of any definite policy concerning the attitude to be adopted by the individual members towards recruitment caused the erection of individual branch standards, mostly approaching that of the "N.C.F.," which had been newly formed.

The No-Conscription Fellowship was an organisation which could only have existed in consequence of the peculiar temporary conditions which brought it into being. It claimed to be non-class and non-political, and combined the most amazingly assorted elements upon a pacifist, anti-militarist and faintly religious basis. Constituted from such elements, it is not to be wondered at that the policy of the N.C.F. should be as erratic as it was idealistic. Largely resulting from its efforts, the Government passed the Act granting exemption from military service to approved Conscientious Objectors. This victory resulted, inevitably, in dividing the anti-war elements into three sections; those who passed the Tribunals with approved consciences; those who failed to pass them and had in consequence to suffer the full rigours of the Governmental machinery; and, finally, those who refused to participate in the legal flummery of the Tribunals under any circumstances whatsoever. As a consequence, all possibility of a united stand, to effect which the N.C.F. had been formed, was negatived. It was extremely improbable, however, that an organisation such as the N.C.F., built largely on a foundation of sentimentality, could have been capable at any time of formulating the rebel policy which the occasion demanded.

The ranks of the Socialists were, in their turn, divided. Those affecting the N.C.F. attitude pleading before the Tribunals, others avoiding altogether, on individual lines, participation in military service, and a few, extremely few in proportion to the whole, entering the Army with a decided propagandist objective. These last, because of the general policy (or lack of policy) adopted by the movement on this question, laid themselves open to the charge of hav-

The Labour Monthly

ing "sold out" to the enemy, or at least of preferring the comparative ease of acquiescence in the Army routine to the sufferings and martyrdom which were the potential lot of the Conscientious Objectors.

That amongst the group we are describing some such cases are probable is undoubted, but that the rest were "genuine" can be accepted, if not by all, at least by those who came in contact with them. Of those who adopted the N.C.F. attitude, the most part spent short or long periods in prison after undergoing the usual maltreatment meted out to most of the Conscientious Objectors in the camps and in the guard rooms. The remainder, avoiding military service and "on the run," were almost equally incapacitated from propaganda work for Socialism, as a necessary condition towards maintaining their freedom from the clutches of the Army and the Governmental institutions.

Practically the sum total, therefore, of the attitude adopted by the Socialists in their relations to the Army may be expressed as follows:—

1. The holding of an insignificant number of meetings and demonstrations against the war, with results which proved the courage of the promoters of the meetings at the expense of great antagonism towards their views, and with results which it cannot be pretended affected to any extent the issues of the war.
2. The production of a few Socialist anti-war journals and pamphlets, which had little, if any, effect on the morale of the British war-combatants, and achieved inconsiderable sales amongst merely sympathetic elements.
3. The abstention from the ranks of the war-combatants of a few thousand men, against which may be placed the advantages to British militarism resultant from the voluntary segregation from the storm centres of Army life of potential spokesmen and agitators within the ranks of the forces.
4. The wastage of skilled agitators and protagonists of Socialism in the prisons, camps, and "on the run" against military service.
5. The almost complete absence of Socialist propagandist effort within the ranks of the Army with the least traditions of militarism in Europe.

Socialists and the Next War

6. The consequent ignorance of military apparatus and tactics on the part of Socialists, to whom such a knowledge will be a necessity in the social wars rendered inevitable by the conditions of capitalist existence.

Let these points suffice for the moment, though others of great importance could be included, and let us examine them with a view to drawing conclusions from them as they affect the all-important question, to Socialists, of propaganda.

1. The meetings and demonstrations held during the war, it may be stated now, were for the most part failures, having in regard the object for which they were held. They served to convince very few but adherents against the war, and actually served very largely towards assisting the jingo spirit. Each smashed-up meeting served as a fillip to patriotic ardour, a focus for the dispersed patriotic elements amongst sections of the working class. Worst of all, respect for and understanding of Socialism, which meetings are held to engender, far from being increased, was actually diminished.
2. The Socialist Press played undoubtedly a very useful part in exposing the conduct and imperialist aims of the war, but, dependent as it was for circulation on the efforts of members and supporters imbued with the pacifist ethic, could have little effect on the average worker, with whom it failed to reach contact.
3. The issues of the war were affected beneficially to the war-mongers by the non-participation of the unruly Socialist elements, despite the fact that a superior number of potential fighters was required to stand guard over them. For lack of articulate expression numerous complaints within the ranks of the Army must have "run to seed" instead of being made to bear fruit in a Socialist direction. Neither Socialist nor anti-militarist purpose was served by the net result.
4. Many experienced agitators, and what may be termed the cream of the working class, wasted long periods of time and endless opportunities of propaganda by being incarcerated in the prisons, camps and guard rooms, or "on the run," where their specific value to the Socialist movement may be expressed as practically nil. On the other hand, the forces of discontent, inseparable in Army life from any period of war, were left to the inexperi-

The Labour Monthly

enced hands and powers of expression and leadership of the particular soldiers thrown up on such occasions, and, in despite of this, sometimes reached fair dimensions. Fraternisations and sabotaging of the military machine occurred to quite an appreciable extent, which, by the presence of these imprisoned agitators, might, if they did not reach the magnitude of the German and particularly the Russian expressions, have certainly reached vastly greater proportions than was the case. In this respect it is not stretching the argument to declare that a vote of thanks is due to these Socialists from the Government for having denied to themselves the possibility of applying their anti-war beliefs by means of Direct Action.

5. The absence of Socialist agitation from the ranks of the troops shows no more fitting result than the great mutiny at Folkestone at the commencement of the Demobilisation troubles, when the leader upon whom the mutineers called for advice was, of all persons, Mr. Horatio Bottomley. No greater indictment of the policy of the Socialists during the war, it seems to the writer, could be made than reference to this. An occasion when the men expressed frankly and openly their lack of belief in, and contempt for, the Governmental machinery, and at a time when their choice of an adviser was particularly free and uninfluenced : that, at such a time, the brazen Bottomley should, of all men, be called upon for his counsel is a phenomenon which must be for ever classed as a disgrace to the Socialist movement of the time.
6. That the most powerful instrument in the Russian Revolution was the Army is now entirely unquestionable. That the Bolsheviks had by means of participation and propaganda in the Army brought into being their most effective weapon, may be taken also as a statement of fact. That in any revolution the control of the allegiance of the armed forces is the deciding factor can equally be agreed upon. There being no reason to expect that, in this particular, the appearance of a revolutionary crisis in Great Britain will prove an exception to the general rule, the question of Socialist permeation of the military machine becomes vitally essential. Moreover, the need for special military training amongst Socialists who will inevitably come to the forefront in such a struggle will be as much, and probably even more, pressing. In this respect the attitude adopted by Socialists during

Socialists and the Next War

the last war showed not the slightest cognisance of the existence of this problem.

Having commented on these six points, let us draw our conclusions on the errors which have been committed, and outline that which has been hinted at in the foregoing parts; the differing policy which must be applied before new and impending wars are upon us.

The policy of the future must be based primarily on considerations of propaganda. The propaganda value of Socialists during the last war having been completely disproportionate to the energies expended and the suffering involved, new tactics are called for to bring propaganda and energy in more fitting alignment.

A realistic perception of the problem must guide the framing of this new policy as against the sentimental ones which triumphed in the last war. Not idealism, but a cold perception and evaluation of the results likely to accrue from the use of limited material under given circumstances, must guide the modes of action for final adoption.

Considerations not merely of blind antagonism to a particular capitalist war must guide the new policy, but such as are likely to act in a *constructive* capacity to make easier the transition from capitalist to workers' control.

The possibilities of a struggle from within the armed forces wherein the propagandists, suffering co-equally with the rest, are likely to obtain and use the sympathies of comrades and of civilians towards their Socialist objective, must no longer be neglected.

A practical knowledge and experience in the use of arms should no longer be avoided, but rather encouraged, in view of the potentialities of the capitalist situation.

It is difficult at the present moment to meet the arguments which are sure to be levelled against these proposals in Socialist quarters. Exigencies of space alone would prevent this being done in the confines of this article, apart from other reasons which apply during even these times of

The Labour Monthly

peace. The main argument, however, likely to be used against them (ignoring for the time being those of idealists and sentimentalists), will be that of the danger involved by complete divorcement from civil, with transference to military, law. To deny such dangers would be futile and indeed against the spirit of these suggestions, which are framed in an endeavour to meet and face hard facts, rather than as in the past to avoid them. It may be granted that the work called for from Socialists, by the adoption of the new policy, must be of an extremely dangerous description; but this will apply almost equally to non-combatants, if recent accounts of research in poison gases and other weapons of warfare are to be credited. Considerations of danger are not likely to outweigh, with experienced Socialists, the concrete advantages of the tactic should they be convinced of these last.

One final point: we must see that the new tactics, whatever line they take, should be prepared before it is too late. More and more, with the tightening of the capitalist crisis, the possibilities of both capitalistic and of revolutionary warfare become more acute. The problem may be more pressing than we know of, and serious Socialists cannot afford to remain undecided upon it.

RUSSIAN TRADE UNIONS UNDER THE NEW ECONOMIC POLICY

[At a session, held in Moscow, on December 28, 1921, the problem of the relation of the Trade Unions to the new economic policy was considered, and a draft regulation was drawn up by a commission consisting of Rudgutak, Andreyev, and Lenin, which was supported by the All-Russian Central Council of the Trade Unions, and was unanimously ratified by the Political Bureau of the Central Committee.—The resolution is given below as translated from *Pravda* of January 17, 1922.]

1. *The New Economic Policy and the Trade Unions*

THE new economic policy has introduced a number of material changes in the position of the proletariat and, consequently, in that of the Trade Unions. The preponderating amount of the means of production, in the realm of industry, and of transport is in the possession of the proletarian State. This, together with the nationalisation of the land, shows that the new policy has not altered the substance of the Workers' State. It has, however, substantially altered the methods and forms of Socialist construction, in that it permits an economic rivalry between the Socialism which is being constructed and Capitalism which is striving for revival on the ground of satisfying the demands of the millions of peasants by means of the open market.

The changes in the form of Socialist construction are due to the fact that in the policy of transition from Capitalism to Socialism the Soviet Power has had to adopt special methods of transition, and is, in many respects, using different measures from those it has hitherto done. In particular, free

The Labour Monthly

trading and Capitalism, which are subject to governmental control, are now permitted and are developing. On the other hand, the Socialised State enterprises are being put on economic calculations, i.e., on commercial principles.

2. State Capitalism in the Proletarian State and the Trade Unions

The proletarian State, without changing its nature, may allow free trading and the development of Capitalism only up to a certain point, and only when private trading and private Capitalism are subject to governmental supervision, control, definition of form and order, and so on. The success of such control depends not so much on State power, as on the vigilance of the masses of the workers, and after that on the degree of culture, and so on. But should the regulation be completely successful, the antagonism between the class interests of Labour and Capitalism would remain absolute.

Therefore the chief task of the Trade Unions is, from now onwards, to safeguard, at all times in every possible way, the class interests of the proletariat in its struggle with Capitalism. This task should be openly given prominence. Trade Union machinery must be correspondingly reconstructed, reshaped and made complete—there should be organised conflict commissions, strike funds, mutual aid funds, and so on.

3. State Concerns put on a Commercial Basis and the Trade Unions

The transfer of State enterprises to a commercial basis is unavoidably and indissolubly bound up with the new economic policy, and this type will in the future inevitably be the prevailing if not the exclusive one. This fact, due to the most urgent need to make Labour more productive, to make State enterprises yield a profit, as well as to the interests and fervour of departments, has produced a certain antagonism of interests, as regards the conditions of labour in an enterprise, between the masses of workers and the

Russian Trade Unions—New Economic Policy

directors who manage the State concern or the departments in whose jurisdiction they are.

Therefore, on the Trade Unions, in relation to Socialised concerns, rests the absolute duty to safeguard the interests of the workers, to assist in every way possible the improvement of their material conditions, and constantly to rectify the faults and exaggerations of economic bodies in so far as they proceed from a bureaucratic perversion of the machinery of State.

4. *The essential difference between the class struggle of the proletariat in a State which recognises the private ownership of land, factories, and so on, while the political power is in the hands of the capitalists, and the economic struggle of the proletariat in a State which does not recognise private property of land, while most of the biggest concerns of the State and the political power is in the hands of the proletariat*

In the period of transition from Capitalism to Socialism the existence of classes is unavoidable. At present only the first steps in that transition have been made. Hence the Soviet Power and the Trade Unions have to recognise, openly, the existence of the economic struggle and of its inevitability until the electrification of industry and of agriculture have cut the tap root of petty economy and the power of the market.

On the other hand, it is obvious that the aim of the strike-war under Capitalism is the destruction of the State machine, the overthrow of the given class State power. But in the proletarian State of the transition period the final object of every expression on the part of the working class can only be the confirmation of the proletarian State and of the proletarian class governmental power, by means of a struggle with the bureaucratic perversion of that State.

Hence the Soviet Power and the Trade Unions must never forget and never conceal from the working masses the truth that the use of the strike weapon in a State with a proletarian Government can be explained and justified solely either by

The Labour Monthly

the bureaucratic perversion of the proletarian Government, by the prevalence of the vestiges of Capitalism in its institutions or by the undeveloped political condition, or the cultural backwardness of the working masses.

Hence, when friction and conflicts arise between some groups of workers and some institutions or organisations of the workers' Government, the business of the Trade Unions is to help forward the quickest and soundest settlement of the disputes with the maximum advantages to the groups of workers whom they represent, in so far as these advantages might be brought about without a detriment to other groups and without causing any injury to the development of the Workers' State and economic life as a whole. The only sound and proper method Trade Unions can adopt in such cases is mediative participation, either negotiating on the basis of exactly formulated demands and proposals between the parties, or by appealing to the higher authorities of the State.

Should, however—for one reason or another, foreseen or unforeseen—a strike break out at Government enterprises and so forth, the business of the Trade Unions is to help in the quick removal of the conflict by taking such Trade Union measures as will abolish existing irregularities and disorders and will satisfy the lawful and realisable demands of the masses, by means of political action on the masses, and so forth. One of the most important and infallible standards of the right and successful working of the Trade Unions is the measure in which they successfully prevent mass conflicts in State enterprises.

5. The Return to Voluntary Membership in the Trade Unions

The formal attitude of the Trade Union to the enrolling of every one whose labour is hired into Union membership has to some extent bureaucratically perverted the Trade Unions and has detached the latter from the large masses of their members. Therefore a voluntary membership must

Russian Trade Unions—New Economic Policy

with all resoluteness be brought about, both in regard to individual and collective admission into the Unions. No demand must be made on members of Trade Unions in regard to definite political ideas. Trade Unions must in this respect, as in the case of their attitude to religion, be of no party. The only claim that can be made on Trade Union members in a proletarian State is that they understand comradesly discipline and the need of united Labour power for the defence of the workers and for the help of the Soviet Power.

6. The Trade Unions and the Administration of Enterprises

The supreme and radical interest of the proletariat after it has secured governmental power is the increase of the quantity of goods, the raising, to an immense proportion, the productive forces of the community. This task has become specially acute now on account of the post-war destruction, ruin and famine. Hence that which makes the emancipation of Labour from the yoke of Capitalism thinkable is the speediest and most lasting success in the restoration of large industry. Apart from this the conquest of Socialism is unthinkable. And such a success requires absolutely, in the Russia of to-day, the concentration of the whole power in the hands of the Administrations of Works. These administrations should independently control the fixing of wages, the distribution of money tokens, rations, special outfit, and all other supplies on the basis and within the lines of the collective contracts made with the Trade Unions. . . . Every indirect interference on the part of the Trade Unions in the administration of enterprises under such conditions must be regarded as harmful and inadmissible. But it would be quite a fallacy to expound this incontestable truth in the sense of denying to the Trade Unions the participation in the Socialist organisation of industry and in the management of State industry. Such a participation is essential in the exactly defined forms which follow.

The Labour Monthly

7. The Place of the Trade Unions in the Economic and Governmental Organisations of the Proletarian State

The proletariat is the class basis of the State which brings about the transition from Capitalism to Socialism. The Trade Unions should be the school of administration of Socialist industry (and then, gradually, of agriculture) for all the masses of the workers, and then for all those who toil.

In consideration of the above main position it is necessary to lay down, for the immediate future, the following fundamental forms of Trade Union participation in the economic and governmental bodies of the proletarian State.

1. Trade Unions take part in the forming of all economic and governmental bodies connected with economy by putting forth candidates of their own indicating their fitness, while the decision of the matter is exclusively in the hands of the economic organ, which takes into consideration the fitness of all the candidates which has been indicated by the Trade Unions.

2. One of the foremost tasks of the Trade Unions is the putting forth and the preparation of administrators from the general mass of workers and toilers. In the immediate future there will be need for hundreds of perfectly satisfactory administrators of industry, and of thousands who are satisfactory in a greater or lesser degree. The Trade Unions should pay far greater attention with regard to all workers and peasants who show capacity for their work, and should show a more thorough and businesslike observation as regards their success in the study of administration.

3. It is necessary to strengthen the part played by the Trade Unions in all the constructive organisations of the proletarian State, in the working out of plans of economy, programmes of output, and of the expenditure of funds of material supply of the workers, in taking part in the selecting of enterprises which are supplied by the State, which are leased out, or which are concessions. Trade Unions realise their part in the regulation of private capitalist industry exclusively by means of their participation in the corresponding State organisations. Together with their other activities, this effort of the Trade Unions should ever more deeply and widely attract the masses of workers and labourers in all the construction of the State economy, making them familiar with all

Russian Trade Unions—New Economic Policy

the gamut of economic life, with all the compass of industry, from the point of raw materials to the point of the finished article, and giving them an ever more concrete idea of the one State plan of Socialist economy and of the practical interest of the workers and peasants in the realisation of that plan.

4. The fixing of tariffs and standards of supply and so forth is one of the integral parts of the work of Trade Unions in the upbuilding of Socialism and of their share in the administrative work of industry. Specially should the disciplinary courts promote, inflexibly, the discipline of labour and of the cultural forms of the struggle for it and for the raising of production.

The above enumeration of the chief functions of the Trade Unions in the construction of a Socialist order of economy should, of course, be worked out in detail by the proper Trade Union organisations and by the Soviet Power. The most essential thing for the promotion of the country's economic well-being and for the consolidation of the Soviet Authority is consciously and resolutely to undertake a tenacious, business-like, long-continuing effort to give practical training to workers and labourers in the work of administering the economic life of the whole country.

8. Union With the Masses the Main Condition of Every Effort of the Trade Unions

Union with the vast majority of the workers (and then with all the labourers) is the most important, the most fundamental condition of any and every activity of the Trade Unions.

The entire organisation of Trade Unionism and its machinery should be a practically proved and established system of responsible individuals who should live in the very thick of the worker's life, should know it through and through, should be able without blundering to determine any problem at any moment of the attitude of the masses, their real striving, demands, ideas, able without a shadow of false idealisation to determine the degree of its consciousness in virtue of the force of prejudices and traditional experiences, should be able to gain the fullest confidence of the masses of

The Labour Monthly

workers by a spirit of comradeship, and by an earnest effort to meet their requirements. The great danger at present is that the workers' vanguard should break away from the masses. The Trade Unions should be constantly the transmitting agency between the vanguard of the workers and the masses of the workers.

9. The Inconsistency in the Very Position of the Trade Unions Under the Dictatorship of the Proletariat

From the above exposition there arises a number of contradictions in regard to the various tasks of the Trade Unions. On the one side it is held that their work is that of persuasion, education; on the other, that it is compulsion; on the one side that they are, in the strictest sense of the word, to safeguard the interests of the labourers; on the other, that they cannot refrain from pressing the masses down; on the one side it is held they must use military methods, on the other that military methods are not applicable to Trade Unions; and so on, and so on. The practical deductions are twofold:—

1. For the successful work of the Trade Unions, understanding and performing their work is not enough. Special tact is essential, a special ability to approach the masses in every particular concrete case, so as with the least amount of friction to raise the mass just a degree higher in their cultural, political, economic attitudes.

2. The pointing out of contradictions will inevitably lead to conflicts, misunderstandings, friction, etc. Therefore it is essential that there be a higher authority which should solve them at once. The Communist Party and the Comintern are such an authority.

10. Trade Unions and Technicians

If our chief institutions, the Communist Party, the Soviet Government and the Trade Unions, do not bring it about that we should guard every technician, as a man guards the apple of his eye; that we should guard every conscientious worker who understands his business and who is fond of it,

Russian Trade Unions—New Economic Policy

even though he be unfamiliar with the idea of Communism, then we must not talk seriously about success in building up a Socialist order. It will be some time before we can accomplish the thing, but we must see to it that technicians should be able to live better under Socialism than under Capitalism, both in a material, legal and comradely co-labouring sense. On the Trade Unions rests the most difficult business to see to it that the wide masses of labourers adopt a right attitude to technicians, for only a right relation of this kind can lead to practical results.

II. Trade Unions and the Influence of the Petit Bourgeois on the Working Classes

The Trade Unions are real only, then, when they unite wide sections of the non-party workers. Hence, in a country where the vast majority are peasants, it follows that there should be among Trade Unions a comparative persistence of all political influences which form, as it were, a superstructure on the remnants of Capitalism and small manufacture. This is the petit bourgeois influence—made up of Esserism, Menshevism, and Anarchism. From these tendencies a small number of individuals defend Capitalism, not from sordid motives, but in idea. They believe in “democracy,” “equality,” “liberty.” Therefore there should be a struggle with this petit bourgeois idea and influence in the Trade Unions.

The World of Labour

	PAGE
INTERNATIONAL: Third International Decisions on United Front	358
ITALY: Communist Party Congress	362
SOUTH AFRICA: The Rand Strike Sequel	363

INTERNATIONAL

Third International Decisions on United Front

IN accordance with the decision recorded in the theses issued by the Third International on the United Front, an extended meeting of the Executive, with double representation for each country, was held in Moscow, beginning on February 21, 1922, and lasting about a fortnight. The main business of the Conference was to decide on questions connected with the practical application of the policy of the United Front. There were two important subjects of contention—firstly, the general policy of the United Front, which was objected to as a whole by France, Italy and Spain; and, secondly, the proposed joint meeting of all the Internationals which, again, was opposed by the Latin countries.

The meeting was attended by some 56 delegates from 35 different countries of all parts of the world, including non-European countries such as Persia, India, China, Japan, South Africa, Australia, etc. The report of the Executive Committee indicated that there had been an extension in various directions of the scope and activity of the Communist International since the last Congress had taken place. New divisions had been created to deal with the Far East, the Near East, the Arab East, Latin America and colonial countries. New Communist parties had been affiliated from Canada, Ireland and Fiume, and new parties were in process of organisation in South Africa, Australia, Turkey, etc. Assistance had been given in unifying the Communist parties in Czecho-Slovakia, Belgium and Spain; 971 letters had been received by the Executive from 36 countries, and 1,085 letters had been sent out by them.

After reports had been received on the position of the Communist parties in various countries, a lengthy debate on the United Front began. Zinoviev, in his opening speech, repudiated the suggestion

The World of Labour

that the tactic of the United Front was a counsel of despair due to the weakness of the Communist International, or that it originated from the Russian party owing to the difficult position of Soviet Russia. He claimed that it was an historical necessity dictated by an actual change in the situation, the feeling of tiredness and apathy among the masses after the war having changed, under the blows of the capitalist offensive, to a recognition of the necessity of struggle on the part of the entire working class.

The French delegates claimed that it was useless to come again into contact with leaders such as Renaudel, etc., who were discredited. Moreover, their party was the majority. Against this it was argued that the United Front did not imply unity of organisation, as they seemed to fear; nor did it necessarily take place through the leaders. The French party claimed to be in a majority, but the international aspect was of primary importance, and the Third International had not a majority in relation to the Second and Two and a Half. The Italian point of view was that while it was possible for Communists to work with Industrial Labour organisations which were mass bodies, the political organisations had a fixed programme. They wished to confine the application of the United Front to the economic field.

Finally, the following resolution was passed by 46 votes to 10, France, Italy and Spain voting against :

Discussion having removed misunderstanding and proved that the tactic of the United Front proposed by the Executive of the Communist International is in no way a weakening of opposition to reformism, but a continuation and development of the tactic decided on by the Third Congress, and already applied, in fact, by parties in constituent countries, the enlarged Executive confirms the December theses on the United Front and authorises the presidium, together with delegations from all the chief countries, to decide on the most important practical steps to be adopted in the respective countries for the realisation of the tactic of the United Front, which it is understood must be adapted to the conditions in each country.

The dissident countries proposed instead the following resolution :—

The enlarged Executive declares that the theses passed by the Third Congress relating to the appeal to the masses, and the uniting of all workers, with a view to class action for the immediate demands of the proletariat, must be scrupulously applied by all sections of the Communist International, taking advantage of the tendency towards unity which is being manifested by the workers in the struggle.

On the subject of the proposed joint meeting of the Internationals, Radek gave a report of his conversations with representatives of the Two and a Half International, Ledebour and Adler. It was pro-

The Labour Monthly

posed that the Conference should be limited to subjects of international importance to Labour, such as reparations, the recognition of Soviet Russia, the eight-hour day, unemployment, etc. The Two and a Half International agreed, but considered that the Amsterdam International would refuse to meet representatives of the Red International of Trade Unions. It was also suggested that the Second International would raise the question of the Socialist Revolutionaries and Mensheviks. Radek said that he had told Adler that in that case the Communist International would raise the question of Liebknecht, Rosa Luxembourg, and tens of thousands of Spartacists, and that Adler, with the olive branch in his hands, had begged them not to cause an international scandal.

A resolution was passed by the Executive in favour of participation in a Conference with the other Internationals, asking for as complete a representation as possible of all Labour organisations. France, Italy and Spain opposed the resolution, the full text of which reads:—

The enlarged Executive of the Communist International acknowledges the proposal of the Vienna Union of Socialist Parties and declares in favour of the participation of parties of the Communist International in the projected Conference.

The Executive of the Communist International proposes, for its part, the participation also of all Trade Union confederations and associations, national and international, the Red International of Trade Unions, the Amsterdam International of Trade Unions, the French C.G.T.U., the Italian Union Syndicale, the American Federation of Labour, and other autonomous Trade Union associations. The Communist International believes, further, that it is necessary to invite to the Conference the chief Syndicalist organisations, the anarchists, the I.W.W., the Shop Stewards, the Factory Committees, etc. The International Conference ought to represent effectively all the working-class organisations of the world. The World Conference of working-class organisations ought to devote itself to the single great task of organising the defensive struggle of the working-class against capitalism.

Capitalism, all over the world, is carrying on a systematic offensive against the working class. Everywhere wages are reduced, hours of labour lengthened, the misery of the unemployed heightened, and taxation increased.

World capitalism, profiting by the divisions among the workers, is attempting to make the workers shoulder the burden of the consequences of the world slaughter.

Imperialist politics has divided the world into new rival camps and has led to new attempts at forming imperialist alliances, which are bound, inevitably, to give rise to new wars. Washington and Genoa mark stages in the new ravaging expedition of world imperialism, they are the workshops where the future wars are being prepared.

Even the leaders of the International Union of Transport Workers

The World of Labour

(affiliated to Amsterdam), and recently also those of the International Federation of Metal Workers (also affiliated to Amsterdam), have warned the proletariat of the imminence of this danger.

In the face of this situation it is necessary that all workers without delay should close their ranks for the defence of their most elemental interests. Those who, under these conditions, reject the formation of a united front of all workers, prove thereby that they support the united front of the workers with the bourgeoisie.

The Communist International proposes that the Conference should deal only with questions relating to the immediate practical action of the working masses. The agenda of the International Conference can have only the single objective of assuring such unity of action among the working masses as can possibly be realised in spite of the existing essential differences of a political nature.

The workers who understand the deep-seated motives for these differences nevertheless press for unity with the great majority of the working class in all action in defence of the urgent, vital interests of the proletariat. This ruling desire, which is agitating to the depths of the working masses, is in complete accord with the attitude of the Communist International.

The Communist International maintains entirely its fundamental conception of the tasks of the working class in the actual revolutionary period. It proclaims that only the Dictatorship of the Proletariat and the Soviet System can free the world from anarchic capitalism. But it recognises, also, that the road leading to the final battle lies through the struggle of the united working class against the attacks of the capitalist class. For this reason it is ready to take part in an International Conference which will put itself at the service of united proletarian action.

The Communist International accepts the agenda for the Conference proposed by the Vienna International, a defensive struggle against the capitalist offensive, and struggle against reaction, and proposes that it be completed by the addition of the following points:—(1) Preparation for the struggle against new imperialist wars (*v.* the resolutions of the Trade Union associations affiliated to Amsterdam). (2) Action in aid of the restoration of the economic life of Soviet Russia (*v.* the manifesto of the Amsterdam International, notably with respect to famine relief). (3) The reconstruction of the devastated regions and revision of the Imperialist Versailles Treaties.

The enlarged Executive is of the opinion that in view of the world situation, the International Conference of working-class organisations should meet at the same time as the economic conference of Governments at Genoa, as suggested already, on the motion of Stanning, by the Socialist Party of Denmark, belonging to the Second International.

The course of events assures the victory of Communist ideas among the proletariat of the whole world. The more rapid will be the association of the great masses of the working class for the defence of their elemental interests, the nearer will be the victory of Communism.

The Labour Monthly

ITALY

Communist Party Congress

AT Rome, on March 20, the Italian Communist Party held its first Congress since its secession from the Socialist Party in January, 1921. At that time its membership was 58,783; since then its progress has been hampered both by the Government and the Fascisti, and its present actual membership is 43,211, of whom 3,189 are "candidates" (the Party requires would-be members to be six months on the list before final admission to the Party). In addition there are the Young Communists, with a total membership of 25,000, 10,000 being candidates. The principal Party organ is now *Il Comunista*, which became a daily in November last: its circulation is 12,000. In addition, however, the Party publishes two other dailies, *L'Ordine Nuovo*, at Turin, which took the place of the Turin edition of the *Avanti* and has a circulation of 30,000, and *Le Lavoratore*, at Trieste, which has a circulation of 16,000.

In the policy resolution, which was passed by 31,089 votes to 4,151, with 707 abstentions, the Party favoured the policy of a united front in Trade Unions and not in politics, urging that the Communist Party must maintain its ranks intact to be able to be influential with the proletariat. "Political irreconcilability is an essential condition to the Communist Party if it is to be victorious." Bombacci and a small minority took exception to this standpoint, arguing that the difference between Trade Union unity and political unity was negligible, and that one involved the other. Subterranean methods of propaganda and organisation were advocated, and it was stated that the present position of the Party was such that should it be suppressed at any moment it was in a position to continue its activities underground.

The agricultural policy outlined, and passed with two dissentients, embodies a system of concessions to the agrarian population rather on the lines of that laid down by the French Communist Party at its Congress at Marseilles. The necessity of an alliance between the agricultural and industrial proletariat was stressed, since the proletariat in Italy could never take over control without the goodwill or active co-operation of the rural proletariat. In Italy the peasantry comprises about 60 per cent. of the total population; but in certain districts, especially in Central Italy, the peasants are numerically the strongest, and thus render any chance of a proletarian victory impossible without their co-operation. In view of these facts the Congress decided on the continuance of the small peasant proprietor in districts where communal farms are unsuitable, either because of technical difficulties or peasant opposition to large-scale production.

The World of Labour

SOUTH AFRICA

The Rand Strike Sequel

THE strike of the gold miners, which began on January 9 (see *Labour Monthly*, February 15), in protest against a covert effort on the part of the Chamber of Mines to reduce the standard of living of the white workers, has been quelled, after a duration of more than two months, by the South African Government forces as an attempted revolution.

By the bloody overthrow of the strikers, the employers have gained the upper hand, and are now proceeding to run the mines "economically." Financial papers gleefully anticipate that the 1914 standard of working expenses will be reached within a year.

No definite figures of the number of strikers returned to work are available; but, with the calling-off of the mine strike and general sympathetic strike on March 15, several hundreds are said to have reported for work; the original number of strikers comprised 20,000. The Industrial Federation, in an attempt to disclaim any responsibility for the "Bolshevik Plot," has issued a circular urging that, by the formation of an extended executive and Council of Action, the old executive was stampeded, and all power was usurped by the augmented executive, formed after the strike began and including the more advanced elements in the Trade Unions, and which the Federation denounces as responsible for the bloodshed and failure of the strike. The Chamber of Mines at the same time declared that the Industrial Federation would no longer be recognised, to which edict the Federation replied that it is treating the very same people as delinquents whom the Chamber of Mines refused to meet.

The President of the Chamber of Mines declared at the Annual Meeting, held subsequent to the cessation of the strike, that Trade Unions would be recognised subject to certain conditions, but that the Chamber of Mines would no longer be a party to the continuance of the system of shop stewards or works committees. He stated that the policy of recognition of Trade Unions on the part of the Chamber of Mines will henceforth be based on the following conditions:

1. A Union to be recognised must contain in its membership a substantial proportion of the particular class of mine employees which it purports to represent.
2. Workmen's Unions will not be recognised as representing officials. It is a condition of all new appointments to official positions that holders will not remain nor become members of workmen's Unions.
3. A Union to be recognised must contain in its constitution a proper provision for a secret ballot of its members before a strike can be declared.
4. The industry will not recognise any Union whose members refuse to work with non-members or which countenances a strike in order to enforce employees to join it.

The Labour Monthly

5. So long as a substantial section of a particular class of mine employee is outside a particular Union the Chamber will not look upon the latter as speaking for the whole of the employees in that class. It therefore follows that the Chamber will consider on its merits any point put up by a Union and decide whether or not it will deal with that Union on that particular point.

6. The industry will not recognise as representatives of Unions for any purpose whatever persons who have been associated with the augmented executive of the South African Industrial Federation or with the Council of Action.

7. The industry will not recognise as a Trade Union every organisation which calls itself a Trade Union. It has occurred before now that organisations whose objects are really political have attempted to disguise themselves as Trade Unions, and the Chamber does not undertake to recognise any such body.

These drastic proposals reveal clearly enough the object to break up the South African Unions and to give unlimited power to the employers. In the language of the *Financial Times*: "The controllers of the Rand mining industry have won their stubborn battle for the restoration of the right to be masters in their own houses—a right which had been seriously undermined during the war." The same paper, referring to the wiping-out of the increase in production costs since pre-war days, writes: "Given a contented and willing staff—such as the removal of the extremists and agitators should do much more to secure—this goal ought to be obtainable within a reasonable period." Already some Unions are reported to have been broken up; but the capitalist Press regards this fact as unimportant and fitting into the scheme of things by remarking that "these, of course, can be rebuilt on a sounder basis."

The terms of settlement on which the strikers have returned to work are practically those which they rejected early in February, and include the acceptance of the pre-war basis of wages plus 2s. 6d. per shift or £3 5s. per month cost-of-living bonus, which is to disappear completely in June; the question is undecided whether the ratio of native labour to white of 10.5, as then suggested, should be decided without reference to the impartial Board. This Board, to be known as the "Mining Industry Board," has already been formed, and comprises Justice Sir William Solomon, chairman; Mr. William Brace, Labour Adviser to the British Department of Mines; Sir Robert Kotze, Government mining engineer; and Sir Carruthers Beattie, Principal of Cape Town University. Its stated duties are to investigate matters in relation to the recent strikes on the following lines:

1. The effect and extent of the *status quo* agreement of 1918 on the gold mines of the Witwatersrand and the necessity of its continuance or variation or its abolition wholly or partly.
2. The desirability or otherwise of establishing any system for regulating

The World of Labour

the ratio of European to native labour in the gold and coal mines of the Transvaal.

3. Methods of effecting economies to promote efficiency and to secure the maximum field for the employment of European labour.

4. With a view to the working of the largest number of gold mines, the possibility of classifying mines into two or more grades, employing different ratios of European to native labour or practising different systems of wages and overhead charges and the establishment of machinery for effecting and controlling such a classification.

5. The recent disputes in the coal mining industry and between the Victoria Falls Power Company and its employees.

Not only the Chamber of Mines is jubilant at the overthrow of the workers' power; but the Johannesburg Town Council, in re-engaging Municipal employees, has stipulated that they should be "temporarily" engaged on the basis of current rates for skilled workers, and pre-war rates for tramwaymen or unskilled workers, with a 12s. 6d. minimum day rate plus an increased cost-of-living bonus. The working week is to be henceforth 48 hours instead of 44. Mr. Allen, the chairman, pointed out that the Council "intended to get value for the money it paid," and would not stand any more "humbug." In the case of re-engaged strikers, these were required to sign an agreement by which they relinquished all leave, pensions, and provident fund privileges until each case had been examined by the Council.

The estimated loss in gold output caused by the strike is between £6,000,000 and £7,000,000, £1,100,000 of which is being saved by the deduction of the war bonus; whilst the new "improved" working conditions are expected to compensate the owners in a short time.

All these facts and statements prove clearly the intent of the employers, backed by General Smuts, to nip the Left Wing movement at the start, and by capturing the so-called extremists remove all active opposition to a return to pre-war conditions. To quote the outspoken *Financial Times* again: "The killing and capturing of a few thousand of the Bolshevik and Communist extremists—some alleged to have been financed with foreign money—has doubtless broken the back of the revolt. Those dangerous firebrands who have not been given, or who have still to be given, a quicker exit, will presumably be deported. The Rand will be purged of its evil elements for a generation. A desperate ill-will has found a desperate remedy." And Sir Abe Bailey, mine-owner, said in Parliament "the country must at least have the satisfaction of seeing these Communists made absolutely impotent for any further uprising as far as South Africa is concerned."

The general report of the number of strikers captured has been given at 10,000; that of the casualties at about 100 killed and 500 wounded.

BOOK REVIEWS

THE TESTAMENT OF ENGELS

Wie eine Revolution zugrunde ging. Eduard Bernstein. Stuttgart, 1921. Price 6 marks.

Die russische Revolution. Dr. Rosa Luxemburg. (Edited with an introduction by Paul Levi.) Berlin—Fichtenau, 1922. Price 30 marks. [SECOND REVIEW.]

THE years 1891 to 1894 mark the beginning of the decline of the revolutionary spirit and the rise of reformism among the rank and file of German Social Democracy. The personal forces which largely contributed to those developments were Friedrich Engels and Eduard Bernstein. Unlike Marx, who to the very end of his life remained as ardent a revolutionary as he had been when he wrote the Communist Manifesto, Engels considerably mellowed in the last four years of his life, and used his great authority with the Germans to lead them back to legality and Parliamentary tactics. In 1894, at the age of seventy-four, he wrote his last will in the form of an introductory chapter, instinct with reformism, to the most revolutionary piece of political writing of Marx, namely, to the *Klassenkämpfe in Frankreich*, originally published in 1850, interpreting, from the point of view of proletarian dictatorship and economic determinism, the February upheaval of 1848. Engels, republishing it in 1894, added an introduction which is a complete denial of the book; it is, in fact, a veritable palinode of his whole work which he had accomplished in association with Marx; he deprecated revolutionary action, and enjoined the German proletariat to rely on legality and Parliamentary elections. This introduction of Engels has since been regarded as the political testament of the authoritative successor of Marx, and has stifled all discussion concerning revolutionary action. Universal suffrage has been thought to constitute the best means to the emancipation of the working class. These were the final views to which one of the authors of the Communist Manifesto gave expression at a time when a mild English democrat and social reformer, Mr. G. Lowes Dickinson, in his remarkable essay on the development of English Parliamentaryism (1894-95), seriously questioned the possibility of Socialist Labour coming to power through the usual Parliamentary methods, arguing that the peaceful and automatic alternation of Governments of Conservatives and Liberals was owing to the fact that both Parties had certain social principles—or as Sir Arthur Balfour lately said, “certain social verities”—in common and differed only in their application to

Book Reviews

practical politics, while a Socialist Labour victory meant the proclamation of a new principle and the creation of a new social basis.*

Yet it was the same Engels who, in 1890, published in the *Neue Zeit* Marx's criticism of the Gotha Programme, which had been privately addressed to the leaders of German Social Democracy in 1875, and which contains the famous passage concerning the proletarian dictatorship as the proper form of government during the transition period from Capitalism to Communism. I well remember the sensation caused by the publication of that letter, but it was by no means the allusion to dictatorship which struck us most. Our feelings were mainly roused by the severe handling of the leaders of German Socialism at the hands of Marx for their ignorance of social science and Communist economics. Gradually Marx's criticism was being analysed and digested, but it was chiefly Liberal writers who took exception to the passage about dictatorship. Engels appears to have been perturbed by the Liberal strictures, and he hastened to explain that there was nothing to be afraid of in that term, for the Paris Commune had been a proletarian dictatorship, based on universal suffrage. The Liberal writers felt satisfied, since they rightly syllogised that a government which issued from universal suffrage was anything but a dictatorship. Indeed, Marx never regarded the Paris Commune as a dictatorial form of government; moreover, he actually held to the opinion that the Central Committee, which on March 18, 1871, proclaimed the Paris Commune, made the fatal mistake by hastily relinquishing power into the hands of the elected body. Still, German Social Democracy never reasoned this matter out; it accepted the assertion of Engels as a true statement of Marx's views. In fact, up to 1918, no serious discussion took place in Germany with regard to dictatorship. The question did not arise, since Social Democracy, true to the final doctrines of Engels, regarded Parliamentary action and democratic methods as the only possible and effective tactics.

Engels' testament was confirmed and driven home by Eduard Bernstein, who as London correspondent of the *Vorwärts* and *Neue Zeit*, as well as author and translator, was indefatigable in replacing Marxism by social reform Liberalism. His great past, his close association with Engels in the years from 1880 to 1894, and his friendship with Karl Kautsky, gave him an authoritative standing in the Party, which he used, methodically and systematically, for spreading social reformist and Liberal views as against all revolutionary action. His first systematic attempt in this direction was the editing of a German translation of a history of the February revolution (1848), written in French by M. Héritier, a Swiss revolutionary

* I am paraphrasing Mr. Dickinson's opinions from memory. It is now twenty-seven years since I read them, but I do remember that they are to be found towards the end of the book.

The Labour Monthly

Socialist and Marxist. Bernstein, following the example of Engels with regard to Marx's *Klassenkämpfe*, wrote a running commentary on Héritier's work, endeavouring to demonstrate that it had been the Blanquists and, generally, the revolutionary elements that brought the upheaval of 1848 to nought. He now republishes his commentaries for the purpose of showing that it was Karl Liebknecht, Rosa Luxemburg, and generally the Spartacists and Communists that must be held responsible for the collapse of the German revolution of November, 1918. Bernstein, as the *spiritus rector* of the Majority Socialists, has evidently felt the need of writing an apologia for the Socialist statesmen, who, in alliance with the militarists, Liberals, and Catholics, have largely contributed to the defeat of the European proletariat in general and the German proletariat in particular. It was, to a great extent, Bernstein's undermining and sapping of the German Socialist movement which rendered it so pitifully helpless in one of the greatest moments of its history.

Somewhat different was the position of Karl Kautsky. In the years from 1891 to 1910 he valiantly fought the insidious influences of Bernstein. He was the only German Socialist writer who in those twenty years alluded to proletarian dictatorship. In his *Vorläufer des neuen Sozialismus* (second edition, Stuttgart, 1909, vol. I., p. 219) he declares:—

"Since the Middle Ages it is the natural and logical endeavour of proletarian Communism to become, under favourable circumstances, political and rebellious. Like the present-day Social Democrats, it has been aiming at proletarian dictatorship as the most potent lever for bringing about the Communist society."

In his booklet, *Weg zur Macht* (Berlin, 1910, p. 20), he remarks:—

"While Marx and Engels were always in favour of the proletariat exploiting the conflicts of the various sections of the possessing classes, they coined the term dictatorship of the proletariat, which Engels in 1891, even a few years before he died, advocated—the purely proletarian government as the only form in which the working class could exercise political power."

It is evident that even Kautsky regarded proletarian dictatorship in the light of Engels—as a Labour government issued from universal suffrage. On the whole, it may be said that Engels' activity in the last years of his life was more and more reformist, which was systematically followed up by Bernstein.

Bernstein's reformist beginnings coincided with the arrival of Dr. Rosa Luxemburg in Germany. She had come from her social studies at the University of Berne, free from any reformist tendencies which had grown in strength in Germany since 1891. Her first contribution to the *Neue Zeit* appeared in 1896, dealing with Polish Socialism, which she denounced as being nothing else than Polish nationalism

Book Reviews

plus social reform. Then she gradually intervened in German Socialist controversies, and when, in 1898, the conflict between the revisionism of Bernstein and the theoretical Marxism of Kautsky came to a head, she lent her powerful aid to the Marxists. It was Franz Mehring who at once recognised her as the foremost Marxist in Germany. Dr. Luxemburg, in conjunction with other Russians and Poles, attempted to draw German Social Democracy into discussing the means and technique of a proletarian revolution, but the Germans persistently refused to follow suit. They adhered to Engels' political testament of 1894, which had led them to the village of Morality, where dwelt a gentleman, Mr. Legality. And there the matter rested until 1917. The ten years prior to the war, with their wonderful industrial activity and prosperity of Germany, favoured pure and simple Trade Unionism and social reformism, promoted the spread of revisionism, and prevented all revolutionary discussions. Proletarian dictatorship and Socialist revolution had come to be regarded as ideological relics of a Utopian past. No wonder, then, that the great war and the revolutionary upheavals in Russia and Central Europe found the great majority of Social Democrats unprepared and that only a small minority grasped the meaning of the European crisis. Among that minority Dr. Luxemburg occupied one of the foremost places.

At the time when the Bolsheviks came to power in Petrograd in November, 1917, Rosa Luxemburg was in a German prison, where, however, she had the opportunity of reading and writing and even receiving Russian papers and pamphlets. In the spring, 1918, after the extensive strike movement in the German munition factories as a protest against the Brest-Litovsk peace, Luxemburg wrote several articles for the *Spartacus Letters*, enthusiastically welcoming the Russian Bolshevik triumph, but at the same time adversely criticising some of the tactical moves of the Soviets. In answer to the objections raised by Paul Levi to the views of Luxemburg, the latter wrote, in the summer, 1918, an essay of about 10,000 words, setting forth her opinions on the Russian Revolution in a more systematic manner, and as far as this was possible to do in a prison cell. It is that essay which Paul Levi published at the end of 1921, after he had severed his connection with the K.P.D. and Moscow.

There can be no doubt that the essay is authentic. It is, indeed, a continuation of the controversy with Lenin, started in 1904 in the *Neue Zeit*. Luxemburg regarded the Russian November Revolution (1917) as the most prodigious event of the war. She was full of admiration for the unprecedented thoroughness and vigour of the Russian working class, thus demonstrating that they had stood in no need of the German bayonets freeing them from Tsarism. She combated the opinion that the Russian Revolution was but a Liberal affair

The Labour Monthly

and that the Bolshevik Revolution was premature and also injurious to progress. In her view, even the Liberal upheaval would have failed but for the death-defying valour and ruthless consistency of the Communists. The terrible difficulties with which the Bolshevik Government had to contend did not arise from the immaturity of the Russian proletariat, but from the backwardness and selfishness of the German and generally the Western European working classes. The Russian revolutionists knew well that their success depended on the action of the international proletariat, and it was their profound insight into the evolutionary process of Capitalism which made them sacrifice all for the sake of the universal proletarian revolution. This was one of their greatest glories in the history of Socialism.

"The Bolsheviks, as soon as they had come to power, unfolded the most comprehensive revolutionary programme, not for the purpose of securing middle-class democracy, but the dictatorship of the proletariat, with the view of bringing about Socialism. . . . All the courage, energy, revolutionary insight and consistency, which any party could show in a historic hour, has been shown by Lenin, Trotsky and their comrades. The whole revolutionary honour and capacity which were so sadly wanting among the Central and Western European Social Democracy were to be found among the Bolsheviks. Their rise in November, 1917, saved not only the Russian Revolution, but the honour of international Socialism." (p. 81.)

Her unstinted admiration for the talent and character of the Bolshevik leaders did not prevent her criticising their most important measures. She rebuked them (i.) for having allowed the peasantry to solve the agrarian question on the basis of private property, thus creating an anti-Communist class even more dangerous than the old aristocracy; (ii.) for having proclaimed the principle of national self-determination, which delivered the proletariat of the border States into the hands of the landlords and merchants, besides destroying the economic unity of a Communist Russia; (iii.) for having interpreted the dictatorship of the proletariat in a narrow sense.

"The fundamental mistake of Lenin and Trotsky," says Dr. Luxemburg, "consists in this, that they, like Kautsky, regard dictatorship and democracy as mutually destructive. Dictatorship *or* Democracy—this is the problem of the Bolsheviks as well as that of Kautsky. The latter decides, of course, in favour of bourgeois democracy as the alternative to a Socialist revolution, while Lenin and Trotsky, on the contrary, decide for dictatorship as opposed to democracy, which means in reality the dictatorship of a handful of persons, that is, a dictatorship after the bourgeois model. These are the two opposite poles, equally remote from Socialist policy. The proletariat, when coming to power, cannot follow the advice of Kautsky and forego the Socialist revolution under the pretext of the immaturity of the country, without betraying its own interests as well as those of the International and the Revolution. It should and must at once begin with Socialist measures and carry them through in the most vigorous, unflinching and ruthless manner; it must exercise dictatorial

Book Reviews

power, but it must be the dictatorship of the class and not of a party or faction—dictatorship of the class, that means, in the broadest daylight, under the most active and unrestricted participation of the masses, in unfettered democracy." (pp. 114—115.)

Luxemburg believed that Lenin and Trotsky would have interpreted the dictatorship in this sense, but the terrible pressure of the war and the German occupation created abnormal conditions, which vitiated the best intentions and principles. The Bolshevik activities were comprehensible and formed an inevitable chain of cause and effect, the points of departure and termination of which were to be found in the failure of German Socialism and the occupation of Russia by the German Imperialists. Socialist reconstruction and dictatorship by proletarian democracy were impossible under such conditions. It was the glory of the Bolsheviks to have shown what a Socialist revolution implied, what problems it had to solve. Russia was only able to formulate those problems, but, under the circumstances, could not solve them. She could not work miracles (pp. 117—120).

All this was written by Luxemburg in 1918.

M. B.

THE FRENCH "BLACK BOOK"

Le Livre Noir. René Marchand. Librairie du Travail, Paris.

Histoire de la Révolution Française. Jean Jaurès. *L'Humanité*, Paris.

Où va la France? Où va l'Europe? Joseph Caillaux, Paris.

Le Cantique des Cantiques. Pierre Hamp, Paris.

THE Black Book is the latest of the sinister documents published by the capitalist Governments of Europe (and by one revolutionary Government), with the object of throwing light, real or deceptive, on the origins and causes of the war, René Marchand lived in Petrograd before 1914 as the correspondent of a reactionary French newspaper, the *Figaro*, and had considerably less predisposition in favour of the Bolsheviks than had Jacques Sadoul. His evidence in favour of the Soviet régime in Russia and his cold revelations concerning the secret intrigues between the old diplomacies of the French and Russian Governments have therefore an additional advantage of objectivity.

The revelations in the *Livre Noir* are taken from the correspondence seized in the archives of the Russian Foreign Office after the Bolshevik Revolution. They concern chiefly the correspondence of Isvolsky, the Tsar's Ambassador to France, during the period from 1910 to July, 1914, and they prove up to the hilt all the charges made against M. Poincaré in respect of his responsibility as one of the princi-

The Labour Monthly

pal immediate authors of the war. M. Poincaré's first act on replacing M. Caillaux, in 1912, as Premier of France, was to assure Isvolsky of his intention to pursue a policy of close friendship with Russia, and to direct the foreign affairs of France in complete agreement with her Ally. A few weeks after M. Poincaré assumed power Isvolsky was able to inform his Government, with considerable satisfaction, that France had already given proof of her resolve not to shrink from the armed defence of her rights and interests. "In military circles here," he added, "new international complications are expected, and the War Department continues to prepare to meet military obligations in the near future." Some days later Isvolsky wrote of the new French Premier a shrewd appreciation that subsequent events have not proved wrong: "He possesses very sound qualities, but is at the same time proud to excess, and apt to take greatly to heart any seeming indifference to his acts or his opinions."

It was through the secret and persistent intrigues of Isvolsky in Paris, we learn from his letters, that the moderate and insufficiently warlike French Ambassador at Petrograd, M. Georges Louis, was replaced by M. Delcassé, a man more to the liking of the men around the Tsar.

In 1912 there broke out the Balkan troubles that almost precipitated the Great War two years before it actually came. On September 12 of that year M. Poincaré declared categorically to the Russian Ambassador that in the event of Russia being obliged to depart from her hitherto passive rôle in this conflict, "and if the dispute with Austria were followed by the armed intervention of Germany, France recognised in advance that such circumstances would furnish a *casus fœderis*, and he would not hesitate for a moment in fulfilling his obligations to Russia." And later M. Poincaré recognised that if Austria took advantage of the Balkan conflict to annex territory, and so endangered the balance of power in Europe, "he was perfectly aware that France might be led, on these grounds, into military operations." And on another occasion the French Premier thus abruptly summarised the responsibilities of France towards Russia: "In short, if Russia goes to war, France will also go to war."

But in spite of M. Poincaré's evident eagerness for war in 1912—troops were moved up to the Eastern frontier of France, guns and material were held in readiness for the order to advance—his opportunity escaped him then, and did not return until nearly two years later, when he left the Quai d'Orsay for the remoter splendour and isolation of the Elysée. And during the eight years that have passed since his second opportunity was grasped 1,700,000 Frenchmen have died for the vain dream of this Lorraine lawyer "of sound qualities but proud to excess, and taking greatly to heart any seeming indifference to his acts or opinions."

Book Reviews

Although it was M. Clemenceau and not M. Poincaré who encompassed the disgrace of M. Caillaux, it is strictly M. Poincaré whose real adversary in politics M. Caillaux is, and to combat whom he will return some day, perhaps, to active political life. M. Caillaux, always a liberal Frenchman, has been driven by the fanatical hostility of his reactionary enemies into a liberalism hardly less fanatical than their illiberalism. He has many talents as an economist, and many qualities as a statesman, except, perhaps, the quality of intellectual courage and the talent of seeing in perspective to the logical end. Thus his new book on present tendencies in France and in Europe, shorn of much sincere and brilliant writing, and much denunciation of war and imperialism that is pleasant to hear from a French Liberal, says little that a rigid economist like Maynard Keynes has not already said more opportunely and perhaps with more authority.

M. Caillaux sees no middle way of sanity between the two anarchical morasses of militarist imperialism and militarist Communism except his project of the United States of Europe—first propounded, I think, by Goethe, and subsequently adopted by all the reformist (and Nationalist) Socialists from Vandervelde down to Gustave Hervé. And even the sharp lesson of the war, which turned frontiers into trenches, nationalism into a No Man's Land of blood and barbed wire, and Socialists into Jingoese, has not taught these men that the United States of Europe is not a machine that will put food into a man's belly, or a dream that will send hungry men to the barricades.

L'Humanité has begun the issue of an excellent new edition of Jaurès' History of the French Revolution, with many new plates and notes and corrections by Albert Mathiez, friend and collaborator of the author. The edition is in 12 volumes in all, at 8.50 francs a volume, and should attract many English collectors of the literature of Revolution.

Continuing his epic series of prose novels on the Travail of Men, of which I have spoken before in this Review, M. Pierre Hamp has just published a novel in two volumes on the work of the peasants and factory-workers who grow or distil from the flowers used in the preparation of the exquisite perfumes of the rue de la Paix. *Le Cantique des Cantiques*—the Song of Songs—is a perfume, and the strange contiguity of the sweet-smelling perfume factories near Paris (with their heaped-up crushed flowers from the smiling hillsides of Grasse, on the French Riviera) to the foul, malodorous abattoirs of Paris, is very brilliantly presented. But the book also makes evident a stranger and more tragic contiguity—that of the amazing Byzantine luxury of the wealthy class in France to the squalor, meanness and hopelessness of the lives of the men and women on whose slave labour they have grown rich.

G. S.

G

The Labour Monthly

BOOKS RECEIVED

Wages, Prices and Profits. Prepared by the Labour Research Department. Preface by Sidney Webb. Labour Publishing Company. 6s.

The Revolutionary Crisis of 1918-1921 in Germany, England, Italy and France. By Wm. Z. Foster. Trade Union Education League, Chicago. 25 cents.

Karl Marx. By H. J. Laski. Fabian Society. 1s.

Incentives in the New Industrial Order. By J. A. Hobson. Parsons. 4s. 6d.

Lenin. By M. A. Landau-Aldanov. Dutton and Co. \$3.

Your Part in Control. National Guilds League. 2d.

The Truth about Palestine. By G. L. Stein. Zionist Organisation. 3d.

The Cotton Control Board. By H. D. Henderson. H. Milford. 5s.

The British Empire. By T. A. Jackson. Communist Party. 6d.

Writ on Cold Slate. By S. Pankhurst. Dreadnought Publishers. 1s. 6d.

Introduction to Esperanto. By J. Leakey. Dreadnought Publishers. 3d.

The Oppression of the Poor. By C. F. Andrews. Ganeshi and Co. Madras. Re.1.

A Primer of Social Science. By Robert Jones. Constable and Co. 4s.

Can the Church be Radical? Debate by J. H. Holmes and Scott Nearing. Hanford Press, New York.

Waiting for Daylight. By H. M. Tomlinson. Cassell and Co. 7s. 6d.

Communism and Society. By Wm. Paul. Communist Party. 2s. 6d.

Les Responsables de la Guerre. By Alfred Pevet. Preface by D. Demartial. L'Humanité. 15 fr.

THE LABOUR MONTHLY

A Magazine of International Labour

VOLUME 2

JUNE, 1922

NUMBER 5

Editor : R. PALME DUTT

CONTENTS

Notes of the Month - - - - Page 377

A Welcome—Our Policy—Who Failed at Genoa—And
Who Won at Genoa—The End of the Peace—How
Not to Make Labour Foreign Policy—The Scandal of
Berlin—Reaction at Rome

Poplar and the Labour Party

By GEORGE LANSBURY „ 383

Realities of Genoa

By W. N. EWER „ 392

An Inquiry into Dictatorship—I

By MAX BEER „ 399

The Rise and Fall of Australian Labour

By E. M. HIGGINS „ 405

Capital Concentration in Germany—II

By M. PHILIPS PRICE „ 413

The World of Labour - - - - „ 422

The Trade Union International at Rome—The Socialist
Internationals at Berlin and After—Russian Communist
Congress—United States Miners' Struggle

Book Reviews - - - - „ 429

The British School of Marxism
An American on British Workers
Souls in Steep Places

R. P. D.
J. M.
R. P. A.

Index to Volume II - - - - „ 434

The Labour Publishing Company Ltd.

6 Tavistock Square

London

W.C.

NOTES of the MONTH

A Welcome—Our Policy—Who Failed at Genoa—And Who Won at Genoa—The End of the Peace—How not to make Labour Foreign Policy—The Scandal of Berlin—Reaction at Rome

TO the new readers of the LABOUR MONTHLY in its altered form we offer our welcome. It is our hope that they may find in the pages of the LABOUR MONTHLY something that has so far been lacking in the movement of this country—an attempt to review the movement as a whole. This may sound an extravagant claim ; we believe it is a simple one. Many journals exist to cover special sides of the movement or to put forward special points of view. But the biggest question of all is also the simplest and the most easily forgotten. It is the question of where we are going and how we are getting there. At the present day, more than at any time before, the movement of this country and of every country has got to think out its whole position anew. The old familiar landmarks are gone more completely than is yet realised. The bankruptcy of the old systems of policy and organisation is only beginning to be fully understood as its effects spread with an ever-widening sweep of defeat and degradation. The year 1914 was the first revelation of that bankruptcy, but its effects are only becoming fully worked out to-day. We have got to face up to this situation or go under. There is no sign yet of any effective attempt being made to do so. The old shibboleths are still being repeated. We believe that it is peculiarly the function of a journal which, as being a monthly journal, is freed from the tyranny of the passing event and, as being a non-party journal, is able to choose its writers from every side, to undertake this work of dwelling on the larger issues, of attempting to size up the character of the whole world situation to-day, and of looking out for new thinking and the critical discussion of current problems.

WHAT is the policy of the LABOUR MONTHLY ? The answer to this question can be quickly given. We have printed articles from contributors of practically every outlook and every country of importance, from members of the Labour Party Executive, of the Independent Labour Party Executive, and of the

Communist Party Executive, from prominent trade union officials and from their unofficial critics, from "intellectuals" and from the rank and file, as well as a host of articles from foreign writers and active socialists. And yet all this medley does not mean that we are aiming at the futile promiscuity of the "open platform." Every article that we have printed we have printed for a purpose, and that purpose is to throw a light on the immediate problems of the working-class struggle. Month by month we are trying to piece together the parts of a scattered picture. It may seem a far cry to include the Indian situation or the development of American imperialism in the immediate problems of the working-class struggle, and yet we believe that the power to do this is essential to real progress. We have got to get rid of the old habit of thinking in compartments, of the "political" movement, of the "industrial" movement, and of "international affairs." The philosophy that the *LABOUR MONTHLY* is striving to establish is the philosophy of thinking of the working-class struggle as a whole.

THAT need is greater now than at any time before. We have just been through three conferences which have epitomised the world situation. On the one side Genoa revealed the capitalist world in contact with the Russian revolution. On the other side we had, at Berlin, the meeting of the Socialist Internationals, and at Rome of the Trade Unions' International. At the same time the engineers' lockout at home has displayed in its acutest form the capitalist offensive and working-class disunity. How far has the significance of these events in relation to one another been understood? It is only too clear, from the speeches and actions and policy of the present leaders of labour, that the nature and opportunities of the present situation have been wholly missed. Genoa meant the break up of the whole post-war system that was governing Europe. The German-Russian Treaty came like a sudden flash, revealing the forces at work and startling the Western world with its premonition of the future. At the same time, Western capitalism was making its supreme effort to bind fast its shackles upon the forces of revolution in the East and to chain down the workers at home while they were yet weak from past defeats. In this situation the international organisations of the workers met at Berlin and Rome. What had they to say to

the opportunities that were opening before them? Their time was spent in wrangling about Georgia or in passing vague resolutions about militarism. At the same time, the offensive at home was met with an exhibition of disunity which has not been paralleled even by Black Friday.

GENOA was first, foremost, and all the time an episode in the class struggle. It was Europe and the revolution creeping closer together, because they cannot keep apart, and each hoping it will swallow the other first. Even the convulsive struggle of Britain and France and all their satellites, the varying fortunes of which have turned this conference of peace into a snarling discord and revealed the fierce clash of opposing interests beneath the phrases of amity, itself only derives its significance in relation to this background of the class struggle. Shall capitalist Europe embrace the revolution in the hope of subduing it, or fight it in the hope of defeating it? Either way seems equally perilous. The French policy of Clemenceau, to fight without truce, has been tried and failed; its continuance has become impossible. And now the British policy of Lloyd George, already put forward in his memorandum of three years ago, presses forward for adoption on the heels of this failure, the traditional policy of the British master class, the policy of the veiled hand, of deceitful friendship, and the penetrating corruption of finance. The British bourgeoisie, still cool and in control of the situation at home and abroad, presses forward tenaciously with its schemes; the French bourgeoisie, already scenting the coming danger, fights with all the ferocious intensity and reckless disregard of immediate economic interests that is the very mark of the culminating stages of the class struggle. The very language of the Press has become an unconscious paraphrase of Marx. "We are all weak before the Bolsheviks," declared 'one of the ablest men in Europe,' according to the editor of *The Times*. "*We have all something to lose; they have nothing to lose, but everything to gain.*" So does the unconscious echo sound from the very mouth of the old diplomacy. "Workers of the world, unite; you have nothing to lose but your chains, and you have the world to win."

IN a period of dissolution all the conflicting elements and forces in operation only serve to work to one result. Every step and every act of the old order, even in its self-defence, works out only to the advantage of the new. So it has been at Genoa. For three and a half years a system has ruled Europe, the system of Versailles and the Supreme Council (with its pale, uneasy ghost, the League of Nations), the rule of Britain and France sharing out their hegemony by land and sea in quarrelsome partnership. Genoa has smashed that rule, and by the act of the chief rulers themselves. It is not the quarrel of Britain and France that is the important thing, for Britain cannot afford to have her quarrel out with France, despite the deeply conflicting interests ; it is the fact that that quarrel has led to the re-emergence of Germany and Russia, and the whole situation is again in solution. The atmosphere of impending war has again arisen. As if to symbolise the situation, the League of Nations quietly passes out of the picture after an inglorious half-existence. Its pious supporters in this country, who have been stoked into such a state of respectable enthusiasm, look on perplexed at the way in which it is being shelved. But the shelving goes on. Sir Robert Horne declares that Commission No. 1 of the Genoa Conference is "something very much bigger than the League of Nations." The League of Nations gives way to a visionary "Pact of Peace" ; the Pact of Peace in its turn gives way to no more than a "Truce." And, meanwhile, the only permanent achievement is the advance of Russia to a commanding position. The net effect is to bring a stage nearer the spread of the revolution.

WHILE the Genoa Conference was holding its sessions the Independent Labour Party met in conference at Easter. The principal Socialist party in this country took the occasion of Genoa to pass an urgency resolution on—the wickedness of French militarism. So do the unsuspecting idealists of Labour play into the hands of their diplomatic masters. Within a week, Lloyd George was using this handle for the purpose of his quarrel with France. He himself, declared Mr. Lloyd George in an interview to the *Temps*, was decidedly Francophil, but he feared that a change of feeling in relation to France was developing in many sections of British opinion, particularly the Labour Party. It is decidedly a useful thing to our militarist rulers when they can count on the representatives of Labour,

in their modern zeal for making pronouncements on "foreign policy," innocently repeating the venom of the capitalist Press in Sunday school language. It only remains for the French Socialists to pass a resolution about India and the harmony of the International is complete. With the same kind of bland unawareness of the existence of the British Empire, Tom Shaw is reported to have declared at Frankfurt, on the subject of imperialism and militarism: "We in England will speak against it, write against it, vote against it, and, if necessary, fight against it." We have not yet observed Tom Shaw undermining the British Empire, but we have no doubt he has very strong views upon French militarism.

AS it happened, it was the same Tom Shaw who presided at the Berlin Conference of the Socialist Internationals. The Berlin Conference was a disgrace to the International. At a time of such momentous significance in the whole world situation, this first united conference of the International since 1912 could find nothing better to do than exchange recriminations about Georgia. The project of a conference to coincide with the Genoa Conference was defeated by the Second International, who also opposed any open opposition to the Versailles Treaty. The best speech of the conference was made by Serrati, who from his vantage point above the battle dealt out home truths to all sides:—

We have each and all made mistakes, he declared, and it is even possible that those (addressing Vandervelde) who are here to-day in the capacity of judges have more faults to record than those who stand as the accused. Errors have been made by the accused (turning to the Communists), but here we may say this: The errors which were committed were *errors for the revolution*. Faults have been committed by those who to-day wish to judge, but these faults were committed in the service of the bourgeoisie.

With regard to Georgia, he said:—

Concerning Georgia, the point in question is the demand for the right of national self-determination. Why not the right to self-determination in Algeria or the Belgian Congo?

And, finally, on the vexed question of Communist nuclei, he said:—

Vandervelde has asked: Do the Communists wish to infect us? I put forward the counter-question: Are we to be afraid of this infection? I, personally, am quite sound, and have no anxiety.

And he went on to suggest, with quiet irony, that perhaps the danger of this infection was not so great as that of another poison not unknown to the critics, the poison of the "Union Sacrée" or social peace, which "is still working to-day with pernicious results."

IF the Berlin Conference of the Socialist Internationals made at any rate a timid approach to unity, the Rome Congress of the Trade Union International was openly recalcitrant. Berlin recommended an olive branch between the International Federation of Trade Unions and the Red Trade Union International. Rome unhesitatingly rejected it. So the resolution passed at the one conference under the presidency of Tom Shaw was sternly turned down at the other conference under the presidency of J. H. Thomas. The International Federation of Trade Unions proclaimed a united front, consisting of itself. The familiar resolution in favour of "international general strike action" against war was passed, together with the familiar declaration by the president that it should not be taken as meaning anything. The International Trade Union Congress had to record the distressing results of the capitalist offensive, in the form of reports from every country of a general condition of unemployment, strikes, wage cuts, and attacks on hours common to all, but the Congress was not unequal to the emergency. It recommended that a circular should be drafted and issued in every country, urging affiliation to the International Federation of Trade Unions (presumably on the strength of benefits already received by those enjoying affiliation). The circular will no doubt bring comfort to the soul of every suffering worker and strike terror in the heart of the employers. After such a display of activity criticism is silenced.

POPLAR AND THE LABOUR PARTY

A Defence of Poplarism

By GEORGE LANSBURY

"Of course many of our political opponents will construe the election as a rebellion on the part of the people against the Labour policy. It would be idle to deny that we received a serious setback, and it is hopeless to burke or run away from the fact. I do not interpret the result as a determination on the part of the people not to trust Labour, but I do frankly admit that it is a revolt against the kind of Poplar method of administration, which certainly alarmed people."

Rt. Hon. J. H. Thomas, M.P., at Bromley, Kent, on March 4, 1922.

SO much has been said and written about the work of the Labour Party of Poplar by people who know nothing about that work or the people concerned, that it must be of interest to the Labour Movement to know what is being done and what results have been achieved.

It is unnecessary to reply to those critics in the Labour Party and in the Capitalist Press whose attacks are mainly confined to the use of such epithets as "Poplarism," "Poplar Finance," and "Poplar Methods." These epithets were used by the London *Evening News* shortly before the elections for the London County Council, and were then used second-hand by all who wanted an excuse for the success of the Capitalist Parties. They caused no surprise or dismay in Poplar, but from the speeches of some Labour leaders after the results of the elections were known it is to be inferred that the setback which the Labour Party suffered at the polls was all the fault of Poplar. Apparently no effort was made to find out what was being done in Poplar, but the Press attacks were taken at their face value. Every accusation of waste and mismanagement was accepted by some Labour spokesmen who were only too glad to find a plausible story to explain a very reasonable lack of public confidence in themselves. For it has been quite clearly proved that the workers themselves support the Poplar policy whenever it is explained to them, and this accounts for the remarkable fact that wherever Poplar people put up in the L.C.C. elections they did much better than others. A. A. Watts, a Poplar guardian, and Chris Kelly, a Poplar councillor, scored notable successes in Battersea and Whitechapel. In fact, Poplar

people were much sought after by local Labour Parties anxious to have as candidates men and women who would be identified with Poplar.

In Poplar itself, where the work of the Labour Party on the board of guardians and on the borough council is thoroughly understood, the workers are wholeheartedly supporting the Labour Party. There is not a borough in London where the fight between Labour and its reactionary opponents is more intense and more bitter. In their endeavour to smash the Labour Party in Poplar, the Municipal Alliance (which is composed of all the anti-Labour elements of the borough, comprising Liberals, Tories, and Coalitionists) have been driven to the desperate expedient of promising "work or maintenance for the genuine unemployed." Immediately before the recent guardians' elections, the Municipal Alliance, through its large membership of estate agents and house-owners, increased rents throughout the borough by 1s. 6d. per week and upwards, and a host of canvassers went from door to door explaining carefully that this increase was due to the wasteful and extravagant administration of the Labour Party. This campaign was supported by the whole of the London Capitalist Press.

Some of Poplar's Labour critics would have attempted to answer this attack merely by showing that they were better economists than their reactionary opponents. They would have attempted to show, as Herbert Morrison is continually trying to show in the *Labour Chronicle*, that Labour administration means lower rates. But in Poplar the attack was answered by a direct onslaught upon the anti-Labour alliance. Labour administration in Poplar must mean higher rates than Capitalist administration because the policy of tending the sick and maintaining the unemployed in decency must cost more money than the alternative policy of neglecting the sick and starving the workless. For this reason no excuses were offered for the high rates, and the following short paragraphs, taken from an election bill, will serve to show that no effort was spared by the Labour Party to show the workers the real cause of their poverty and distress:—

The Alliance is composed of the big slum owners, sweaters, and profiteers of Poplar, whose only object is to grind out profit, rent, and dividend. They don't live in Poplar and they won't die in Poplar, but they are the owners of Poplar.

In order to increase their own profits they want to starve the children, neglect the sick, abandon the aged, and drive the unemployed into the workhouse.

All through the elections the Labour candidates stood firmly for the principle of work or maintenance at the national expense for the unemployed. It was explained that even if the maintenance of the unemployed meant an increase of rates and thus of rents, these increases were well worth paying in view of the fact that maintaining the unemployed ensured that starving men should not blackleg their fellow-workers by taking their work at starvation wages.

The fighting policy of the Poplar Labour Party was abundantly justified by the results of the L.C.C. elections in March and of the guardians elections in April. In the elections for the L.C.C. the Labour Party secured all four seats with enormous majorities, as the following figures will show:—

SOUTH POPLAR		BOW AND BROMLEY	
S. March (Lab.)	10,716	C. E. Sumner (Lab.)	8,121
S. Lawrence (Lab.)	10,511	E. Cruse (Lab.)	8,043
C. R. Ingleby (M.R.)	6,397	F. Lambert (M.R.)	4,721
Rev. A. Tildesley (M.R.)	6,328	A. Barnard (M.R.)	4,599
<hr/>		<hr/>	
Labour Majority	4,114	Labour Majority	3,322

The success of the Labour Party in the guardians elections was even more overwhelming. Whereas the number of Labour members on the board was sixteen out of twenty-four, the new board consisted of twenty-one Labour members and three members of the Municipal Alliance. Nearly all the Labour majorities were from 2 to 4 to 1. The following are some typical results:—

BOW, NORTH		POPLAR, NORTH-WEST	
E. Lansbury (Lab.)	1,219	Mrs. Scurr (Lab.)	2,200
H. I. McCheyne (M.A.)	344	D. Adams (Lab.)	2,188
BOW, WEST		E. Humphreys (M.A.)	690
G. Lansbury (Lab.)	1,288	R. Park (M.A.)	682
J. H. Banks (Lab.)	1,266		
S. I. Jeans (M.A.)	455		
W. R. Wagstaff (M.A.)	455		

When it is remembered that these results were secured at a time when the very name of Poplar was being used as a kind of bogey to frighten the London ratepayers, there is good reason for believing that the setback to Labour may be due not to the misdeeds of Poplar, but to deficiencies in courage and ability on the part of the exponents of Labour policy in other parts of London.

Let us now consider what the Labour administrators of Poplar have been doing.

Poplar Labour guardians have always maintained that their first duty was to be guardians of the poor. They have stated not only in their speeches but in their election literature that they would use the poor-law machinery to the utmost extent to maintain in decency and comfort the sick and the aged, the orphaned children and the able-bodied unemployed—in fact, all who for one reason or another were unable to maintain themselves. They did not wait for a huge majority on the board of guardians before attempting to carry out this policy. Even when the board was dominated by an anti-Labour majority the policy of “outdoor relief” was put into operation.

For many years there was violent opposition, culminating in 1905 in what was known as the “Poplar Inquiry.” This inquiry was merely an excuse for a concerted attack upon the principle of outdoor relief and an attempt to re-introduce the old workhouse system. On that occasion, as at present, the name of Poplar was used against Labour administrators all over the country, and even then some official elements in the Party, not understanding the work that was being done in Poplar, stood aside allowing Poplar to fight its own fight, and harbouring feelings of resentment that Poplar should have caused them so much difficulty. Poplar’s policy of those days has triumphed, and there are now but few boards of guardians in London which do not administer outdoor relief not only to sick persons but also to the able-bodied unemployed.

What do the critics of Poplar mean by “Poplar Finance” and “Poplar Methods”? In the first place Poplar finance is not different from any other kind of finance. Poplar is a poor borough with a large population and a comparatively low rateable value, as the following figures will show:—

	WESTMINSTER	POPLAR	KENSINGTON
Population	141,317	162,618	175,686
	£	£	£
Rateable value (April 6, 1921) ..	7,913,538	947,109	2,550,450
Product of 1d. rate	31,719	3,643	10,029

These figures speak for themselves.

Further, it is obvious that in Poplar the expenditure on the Poor Law, the public health services, and on sanitary arrangements annually must be very much higher than in boroughs like Kensington and Westminster, and in the circumstances the rates of Poplar must be much higher than in those boroughs. Merely to state such a thing is no argument against the administrators of the poorer borough. Yet if the

term "Poplar Finance" means anything, it must have been intended as a reproach upon Poplar for its high rates. As a matter of fact, if Poor Law expenditure is left out of account and the expenditure for borough council purposes only is considered, it will be found that Poplar's rate per head compares favourably with that of other Labour boroughs, and practically all the Labour boroughs compare favourably with the non-Labour boroughs:—

BOROUGH COUNCIL EXPENDITURE

	<i>Amount</i> £	<i>Rate required</i>		<i>Per head of population</i>		
		s.	d.	£	s.	d.
Battersea	177,302	3	5·69	1	1	2·00
Greenwich	91,971	2	4·75	0	18	3·50
St. Pancras	215,655	2	4·18	1	0	5·00
Stepney	289,828	3	7·65	1	3	2·50
Woolwich	128,748	2	9·33	0	18	4·00
Poplar	140,410	3	2·54	0	17	3·20

It will be observed that "Poplar Finance" in connection with borough council expenditure is rather more economical than that of many other Labour boroughs, and this is mainly because the expenditure for borough council purposes is largely concerned with the payment of salaries and general borough expenses. It is only in connection with the relief of the poor that Poplar's expenditure is so much heavier than that of other boroughs, and for this Poplar claims credit. It is true that the Poplar guardians' expenditure per head of cases relieved is heavier than that of other boards, and this, too, is taken as creditable, because the Poplar guardians claim that the scale of relief adopted by other guardians and approved by the Ministry of Health is mean and niggardly. They do not pretend that their own scale affords full maintenance for anybody, but they claim that it is a better scale than that of any other borough, and that it is as much as they can give while the Ministry of Health, seconded by the big financial trust, uses its power to hinder and thwart them at every step. The actual scale of relief given in Poplar to unemployed persons is:—

RELIEF TO ABLE-BODIED UNEMPLOYED PERSONS

The total relief in money and kind shall be on the following basis:—

					s.	d.
Lone person .. .. .	..	..	..	..	12	6 plus rent
Man and wife . . . . .	..	..	..	..	20	0 "
Man and wife and one child ..	..	..	..	..	26	6 "
" " two children ..	..	..	..	..	31	6 "
" " three " ..	..	..	..	..	36	6 "

								s.	d.	
Man and wife	and four children	..	..	..	..	..	..	41	6	plus rent
"	"	five	"	..	..	..	..	46	6	"
"	"	six	"	..	..	..	..	51	6	"
"	"	seven	"	..	..	..	..	56	6	"
"	"	eight	"	..	..	..	..	61	0	"
"	"	nine	"	..	..	..	..	66	6	"
"	"	ten	"	..	..	..	..	71	6	"

Plus coal allowance and boots, at the discretion of the relief committees.

The whole of the unemployment benefit to be deducted.

The whole of the parents' earnings to be deducted.

The first 10s. of any service pension or of any mother's pension in respect of a son or other relative to be ignored in applying the scale of relief.

The deductions in respect of children's earnings shall be :—

No deduction shall be made from any child's earnings up to 15s. per week.

Any individual child earning :—

£	s.	d.	£	s.	d.	s.	d.	
0	15	0	to	0	17	6	..	..
0	17	6	to	1	0	0	..	..
1	0	0	to	1	10	0	..	..
						1	0	
						2	0	
						3	0	

} deduction in each case

and 2s. additional deduction for each additional 10s. earned. The deduction shall apply to the earnings of each individual child, and not to combined income.

The scales given to sick applicants and widows are at approximately the same rates. The scale is administered impartially to all who apply, and no question arises except as to the means of the applicant. Relief is given, not as a favour, but as a right, and if this policy results in a greater number of necessitous people applying for relief than would apply in boroughs where the spirit of Bumble survives, so much more credit must go to the administrators in Poplar.

Sooner or later the Labour Party must face all the implications of administrative responsibility. The workers must be given tangible proof that Labour administration means something different from Capitalist administration, and in a nutshell this means diverting wealth from wealthy ratepayers to the poor. Those who pretend that a sound Labour policy can be pursued either nationally or locally without making the rich poorer should find another party. The Poplar Labour Party has held all through that its policy on the borough council and the board of guardians is the sound Labour policy. It claims that its policy (so often "exposed" in the Press) is only that which has been laid down on many occasions by the national Labour Party and by other Labour organisations. And lastly, it claims that its policy has been proved to be right by its results. The workers of Poplar, realising the value of deeds as against words, have rallied to the support of the local Labour Parties in a manner

which astonishes those who only propagate by words. What our friends Thomas and others have to realise is that they themselves are still only in the stage of talking about Labour Party policy. It is easy to say "Work or maintenance for the unemployed." The attack upon Poplar, which, by their speeches they apparently endorse, is the direct result of Poplar's endeavour to do the things which others only talk about.

Let us take another illustration of "Poplar Methods," and consider the action which was taken by the borough council last year. For twenty-five years the Labour Party has demanded the equalisation of London rates. The justice of this demand must be apparent to all. It was not right that Poplar should be compelled to maintain unaided the sick and unemployed and other classes of derelict workers who happened to reside in the borough, while rich and royal boroughs like Kensington and Westminster went practically scot free. But this demand of the poorer boroughs for a fairer distribution of the burdens of the community was ignored until Poplar found a way of compelling the Government to attend to the matter, and of raising the whole question of national maintenance of the unemployed. The council refused to carry out the duty of levying the rates for the London County Council, the Metropolitan Police, and the Metropolitan Asylums Board. Before doing this they called a conference of all boroughs with Labour majorities, put the position clearly before the conference, and asked that their plan of active resistance to injustice should be endorsed and where feasible carried out. But only one or two boroughs agreed to follow Poplar's example. It is unnecessary to deal at length with the details of the great fight which caused thirty-one of the Poplar councillors to be imprisoned. It is sufficient to say that before Poplar agreed to levy the rates in question the Government were compelled to pass an Act of Parliament spreading over the whole of London the cost of all outdoor relief. Every one of the poorer boroughs of London benefits by the operation of this Act. Poplar alone draws from the richer boroughs of London about £300,000 per annum, and if unemployment increases this amount will increase proportionately.

The thing that must be emphasised about the administration in Poplar is that it is an attempt to do many of the things which propagandists only talk about. It is Poplar's policy to compel the capitalist system to maintain its victims. The work of the trade unions to keep up wages will be much easier when every local authority maintains its

unemployed as Poplar does. Until work is offered to every man or woman who needs it there can be no talk of "won't works" or "work-shys." No Labour or Socialist administrator would stand up for a moment to champion the cause of the work-shy, but these words are too often used as an excuse for doing nothing at all to remedy the position of the unemployed, whether "work-shy" or not.

Again, in Poplar the people know that they have a right to public assistance when they fall sick or when they are unemployed. There is no cringing or begging at the relief offices, and no such thing as a deterrent policy. This, of course, has made the work of administration rather more difficult, but it has ensured that hardly anyone in Poplar who needs relief goes without. The unemployed in Poplar come to the guardians for their relief as readily as they go to the Employment Exchange for their unemployment benefit. They consider that they are in no way inferior to the many wealthy pensioners of the Government, such as Lord George Hamilton and Lord Chaplin, who, because they have served the Government for a little while, have drawn a very splendid scale of outdoor relief for a long time. Practically every applicant for relief knows exactly what he is entitled to under the scale. It is the actual physical need of the applicant and his family that is taken into consideration, and no assumption of virtue will get him one penny more, and no show of independence will cause any applicant to receive less.

In propaganda speeches it is usual to refer to the unemployed as the "victims" of the capitalist system; in Poplar an attempt is made to treat them as victims. In many a peroration to a Socialist speech the hope is expressed that the world may be made a better place for the next generation; in Poplar they try to make the children happier and healthier now. From ten thousand platforms every week the capitalist, the landlord, and the drawers of dividend and rent are denounced; in Poplar the owners of the industrial machine are compelled to pay for the maintenance of their victims.

I know that we are not going to end Capitalism by Poplar methods. It is for the workers through their national organisations to put an end to the system of wage-slavery and exploitation. All that is claimed on behalf of Poplar is that the policy pursued there is the only sound policy for Labour representatives on local authorities who mean to stand by the workers through good report and ill, and that to oppose it is to oppose the openly proclaimed policy of the Labour Movement.

The issue that is raised by Poplar is larger than an issue of local government. It is the whole question whether the Labour Movement means business. Are we going to attempt to carry out what we say on the platform, or are we to be misled and side-tracked by considerations of "statesmanship." I have no doubt of the answer of the rank and file members of the Labour Movement. We all need to stand together, and not to waste time belittling and decrying one another's work. That is why I deplore the attacks which have been made against our work by some friends in high places in the movement, and which have compelled me to write this article. I would warn our friends not to take up an "official" view in opposition to the ordinary men and women who make up the movement. The recent elections, with the overwhelming Poplar successes in the very midst of the losses of other sections not identified with Poplar, should be a warning to those in control. The Poplar policy is supported, not only by the workers in Poplar, but by the bulk of the active workers in the Labour Movement all over the country.

REALITIES OF GENOA

By W. N. EWER

I HAVE never seen," said Metternich, "a prettier little congress." That was at Aix-la-Chapelle a hundred and four years ago. That congress, too, had opened with wonderful visions of a European pact of peace that should open a new era of prosperity. It concerned itself with questions of reparations and the evacuation of occupied territories. It debated the conditions under which a nation with a revolutionary tradition might be readmitted into the society of conservative States. And it achieved not much that anybody but the careful historian need trouble to note.

A pretty little congress !

Yet it was not entirely ineffectual. Nor will its successor of Genoa be entirely ineffectual. The one did not, the other will not, change violently the current of European history. That is a thing which no conference can do.

The Congress-wallahs who date the new salvation of mankind from the next gathering of statesmen do the cause of the conferences in which they believe no good. They make these extravagant claims for Aix-la-Chapelle, or Washington, or Genoa. Aix-la-Chapelle and Washington and Genoa all fail to deliver the millennial goods. Whereupon the cynics sneer, saying pointedly, "We told you so"; everyone writes off the last conference as a total failure; and the Congress-wallahs get ready to boom the next function as the genuine dawn of the new day.

Now, the simple—one would have thought the obvious—fact is that a conference—a gathering together in one city of the statesmen of Europe—cannot *change* the political development of the Continent. For it changes none of the forces which mould and determine that development.

It merely brings them into play in a more confined space, so that their actions and reactions become more rapid. It accelerates, but it does not alter. It—if you like—changes the *tempo*, but not the tune.

That much a conference can do, and must do. More it cannot and will not do. It is foolish either to expect it to produce, or to blame it for not producing, anything more than this limited, but possibly quite valuable, effect.

So much, then, we may expect from Genoa—*whatever its apparent result*. (I am, by the way, writing before the delivery of the Russian reply to the Allies' memorandum.) It will accelerate the natural developments of European politics.

* * * *

What are those developments, and what the chief forces at work in Europe three years after the war?

The most important of all, I think, is the rivalry of Britain and France.

Naive folk have been surprised—and, according to their views, pained or delighted—that the course of the conference should have been marked by squabble after unseemly squabble between these two close Allies. They forget that every conference, every Supreme Council meeting, from the date of the Armistice on has been marked by similar squabbles. The breaches have been patched up. The antipathies have been repressed. But they have none the less been powerfully at work in the political unconscious.

England and France are still (at any rate, at the moment of my writing) partners. But they are no longer friends. The partners view each other jealously. The rupture is very near. The acceleration due to the conference may bring it at once.

It has been inevitable from the moment the war came to an end. The collapse of Germany left England and France incomparably the strongest Powers in Europe. Russia lay in isolation on the East. America soon withdrew into isolation on the West. No Power remained which could menace or even challenge the Entente.

The theory of Versailles—the theory behind the establishment of the Supreme Council (in which Belgium and Italy were very junior partners)—was that the two Western Powers should in unison regulate the affairs of all Europe, issue decrees, arbitrate disputes, impose penalties, and generally supervise the Continent.

That was perhaps a more practical arrangement than the vague League of Nations ideal of President Wilson, which was quietly buried in the Peace Treaties. But it had two flaws. The strength of England and France, great though it was, was unequal to the policing of all Europe. And—the two countries never *were* in unison.

They could not be. For in every direction their interests were antagonistic.

Take first political affairs. If at bottom economic motives are the expression of greed, so at bottom political motives are the expression of fear.

Now the post-Versailles fears of England and France were entirely different. France's dominant fear remained one of Germany. The conditions of Versailles made a *revanche* movement almost certain. It seemed vital for France to make and to keep Germany as weak as possible, and to lose no opportunity of inflicting fresh damage on her.

England, on the other hand, had no longer the slightest fear of Germany. The great navy which had kept her in perpetual alarm for ten years before the war had been utterly destroyed. Not for another generation was there the slightest chance of Germany's challenging British supremacy at sea.

If there was a menace in Western Europe to that supremacy it was from France itself. Slowly and insensibly the idea began to grow in British naval minds that France was again (as in the years before 1903) the potential danger. The Channel ports are very near. The submarine is the worst sea-peril. Germany has none, France many. The effect of that fear was revealed in the explosion at Washington.

France, obsessed by acute fear of Germany. England unworried by Germany, but with a growing fear of France herself.

There was another political factor—Russia. France hated the revolution, feared its repercussions at home, but had no military fear of the Soviet Republic. England, on the other hand, deeply committed in Southern Asia, had real cause for fear. Nor would her fear be lessened if the Soviets were overthrown and some other Government installed. Asiatic conditions dictate to England that she shall live on terms, if not of friendship, at least of neutrality with Russia.

France, then, was bound by her fear of Germany, driven by her hatred of Red Russia, to intransigent hostility to both. England had no reason for the one, good reason against the other.

* * * *

Turn to economic questions. Again we find not merely divergence but antagonism of interest.

Economically Britain's interest lay clearly in the rehabilitation of Germany. Her interests were commercial. The only German territory she wanted to exploit—the colonies—she had annexed. Her commerce

needed the revival of one of her best customers. Everything that hindered the reconstruction of Germany was bad for English trade.

France, on the other hand—or the heavy industrial group, of which Schneider-Creusot is the centre and of which M. Poincaré is the tool—cast covetous eyes on the mineral resources of Germany itself. The claim to the Saar, the demand for the handing of industrial Silesia to the Poles, the persistent desire to occupy the Ruhr, are all the expression of this ambition to control coal and iron. But this, again, was entirely against the interests of British capitalism.

Turn to Russia and again there is the same phenomenon. The chief English interest was trade; the chief French interest that of the bondholders. The nation of shopkeepers and the nation of moneylenders. English traders wanted the French bondholders to cut their losses in order to set trade going again. French bondholders wanted—their money back. Again a conflict and jarring of interests.

And then there is oil. France had already been exasperated by the quiet seizure by England of the coveted Mosul fields. And now she saw the perfidious English, taking advantage of the Trade Agreement, negotiating with the Soviet Government for oil concessions as though no former owners had any rights whatever.

Badly informed, and led by other motives into backing the wrong horse, both the French and the American oil interests had looked for the recovery and extension of their Russian concessions to the overthrow of the Soviet Government. More shrewdly the British group had decided to get concessions from the accursed Soviets themselves.

* * * *

This rivalry, unrealised by most people, but underrunning and conditioning every political development of Europe, was the mainspring of the Genoa conference.

It had continued for three years, bringing quarrel after quarrel, each of them made up with much parade but little sincerity. The Allies quarrelled over reparations, over the occupation of Frankfurt, over the partition of Silesia, over the question of Asia Minor, over a dozen minor questions.

Washington, concentrating attention on that sensitive spot of naval security, brought them very near to an open break.

Then Genoa. Mr. Lloyd George's plan for a general conference in place of the recurrent meetings of the Supreme Council was a declaration of war on the whole idea of the Supreme Council.

To summon all the European States into conference on an equal footing was, in essence, to merge the Entente in a wider system.

The Pact of Washington had quietly killed the Anglo-Japanese Alliance. The Pact of Genoa was quietly to kill the Franco-British Entente. Death might, as in Buddhist theology, be an absorption in a higher entity. It would none the less be death. And with the Entente dead, England would be free again to pursue whatever policy the interests of English capitalism indicated.

This was no brilliant conception of Mr. Lloyd George's. He was no Kaunitz deliberately planning a diplomatic revolution. He was being pushed by forces of which he was scarcely conscious to an end which he did not realise.

Therefore consciously he has been trying to maintain the Entente. He proposed, with the Genoa plan, a closer Franco-British alliance which is ludicrously its very opposite. He greets every move to the final breach with an outburst of anger against somebody whom he suspects of contriving it. He does not in the least know what he is doing. But he does it.

Mr. George, struggling almost unconsciously to free himself from the shackles of the Entente, proposed Genoa. M. Poincaré (coming to power on the morrow of Cannes) set himself to destroy the conference or to render it abortive. For M. Poincaré sees that the success of Genoa is the end of the Entente. He has not seen that its failure is equally the end of the Entente—that the Entente in fact is ended, anyhow. He is a short-sighted statesman. But he is a fine and relentless fighter. And he has fought vigorously the immediate danger that he sees.

Step by step he opposed that first project of Mr. George's. He forced the Genoa Conference into the framework of the Supreme Council, hoping thereby to destroy its essential character.

He limited the scope of the discussions. He secured preliminary meetings of Allied experts and statesmen, of which the object and effect was to separate the Allies from the other Powers, to create an Entente *bloc*, to restore somewhat of the atmosphere of Versailles.

He contrived the exclusion of the Germans, first from the informal, then from the formal negotiations with Russia. He gave those

negotiations the form and spirit of 1919; they became not a discussion between equals but a dictation of terms by superiors to inferiors.

Under his skilful yet short-sighted manipulation, Genoa was converted into a session of the Supreme Council whereat Germany, Russia, and the neutrals were allowed to attend to plead and to hear the august decrees of their overlords.

It was clever, but it was short-sighted. The Poincaré plan went to pieces the moment that the Germans and Russians challenged the dominant Allies by the Treaty of Rapallo.

That treaty (albeit signed by the Germans in a moment of panic born of false information) was the turning point of the conference.

It was a warning to England that the continuation of the Entente would no longer mean a two-Power domination of a more or less acquiescent Europe: but that it would mean the re-establishment of a balance of power. An alliance of Germany and Russia against France and England would be dangerous to British interests in Asia: it would be bad for British trade in Europe: it would tie Great Britain helplessly to France.

Still only half-realising the situation Mr. George, obeying a wise instinct, refused the breach for which M. Poincaré clamoured. He drew back from a policy which meant going into isolation with France. But he still tried hard to cling to the Entente.

M. Poincaré, thinking that the half-capitulation of the British Premier meant a final surrender, sought to press his advantage home.

He delivered the Bar-le-Duc speech, and he contrived the complex stagecraft which assigned to Belgium the rôle of sabotaging the negotiation with Russia.

That act of the play has not, at the moment when I write, worked itself out. It may bring the climax. It may be that Mr. Lloyd George, forced by this cold pertinacious lawyer to make a final choice, will at last boldly break the Entente and negotiate alone with Germany and Russia. It may be that, again dexterously avoiding the decision, he may contrive to avoid an open breach with France and still to continue conversations with the others.

But even if he evades it this time, he cannot evade it for long. M. Poincaré's adroit stupidity is bent on forcing a decision. And the conflict of French and British interests determines what that decision must ultimately be.

Either at Genoa or after Genoa, England will abandon the Entente with France and will come to an understanding with Germany and Russia.

That is the quite inevitable development of European politics in the next few months.

In place of the war grouping a new grouping will come into existence. England, Germany, and Russia, by reason of their community of economic interest, will be the chief members of one group.

Italy will probably join them. Poland will certainly join them. For Poland already chafes under French domination and begins to see that her economic interests are interwoven with those of Germany and Russia.

The Little Entente and the neutrals are rather more doubtful. But France on the whole can offer them little. French patronage has been a costly affair for the Czechs and the Rumanians. England's break-away is likely enough to carry them.

Events work steadily to the isolation of France (Belgium is virtually her vassal-State).

There is a danger in that. France, still enormously strong in arms compared with the other European States, able by submarines and aircraft to threaten England's ports and sea-borne trade, might try to break the ring round her by stirring up new war on some issue that would give her an ally.

Or the French people, realising to what a pass the policy of Clemenceau and Poincaré was bringing them, might overthrow the politico-financial junta that governs them, abandon dreams of securing economic advantage by military power, try for a settlement with Germany and Russia, and so make clear the way to a general European understanding and to some real League of Nations that might lead in time to a United States of Europe.

But that is looking a long way ahead. There can hardly be a genuine European union until there has been a European revolution.

AN INQUIRY INTO DICTATORSHIP

By MAX BEER

(By special arrangement with the LABOUR MONTHLY Max Beer, whose work on the History of British Socialism and on Marxian Theory has made him well known to readers in this country as the foremost living Socialist historian, has undertaken an inquiry into the whole theory and practice of dictatorship in relation to the working-class movement. This inquiry, which will be published serially in six numbers of the LABOUR MONTHLY, will bring to light many hitherto unpublished documents of the revolutionary movement, and will reveal a direct line of descent from the period of the French Revolution to Lenin that is still not generally realised. Special attention will be paid to the vexed question of Marx's relation to the theory of dictatorship, and the results of the inquiry will have an important bearing on the whole present controversy over dictatorship in relation to Socialism.)

I

DICTATORSHIP

§ 1.—What it is and what it is not

DICTATORSHIP is the exercise of *quasi* absolute governmental power by a single person or a limited number of persons in times of national or social emergencies. Yet it is neither absolutism nor usurpation, neither tyranny nor terrorism. It has in essence nothing to do with those forms and methods of government. It is distinctly marked off from them by two main characteristics. First, it either forms an integral part of free institutions, or adheres to the principle of parliamentary government or to the doctrine of the sovereignty of the people. Secondly, it is but a temporary suspension of public liberty, parliamentary arrangements, democracy, and social equality, with the sole view of shielding them from the deadly perils attendant upon internal crises and foreign wars, or of preparing the soil and the environment for the undisturbed incubation and growth of a new order of political and social justice; it has often been regarded as a means to regenerating society and making it efficient enough to fulfil the duties of a higher stage of civilisation. A governmental arrangement of this kind has indeed, as we shall see presently, been so often made use of in the course of European history that there appears to be much force in the

observation made in 1848 by the French publicist, Emile de Girardin, that "*il faut à tout régime nouveau, pour éclore, le nid de la dictature.*"¹

§ 2.—Types of Dictatorship

There are known to history three types of dictatorship, namely, (1) the Roman, which was official and formed an integral part of the Constitution of the Roman republic; (2) the modern, which may be called unofficial, since it grew out of liberal and democratic revolutions, like that of the Civil War in England, out of which issued the dictatorship of Oliver Cromwell, or the French Revolution, which produced the National Convention and the Jacobin dictatorship of Robespierre and his colleagues; (3) the proletarian, which is a doctrinal and practical part of the social revolutionary movement and which is regarded as the prospective authority for governing society during its transition period from private property to industrial democracy.²

The first two types of dictatorship are mainly political, while the latter is socialist or communist. Proletarian dictatorship is still a subject of acute controversy, turning however mainly on quotations from and scholastic interpretations of Marx and Engels, and, therefore, barren of satisfactory results. Only an historical inquiry into the development of the idea of dictatorship could, in my judgment, throw some light on this problem. It is the proletarian type of dictatorship which will form our main thesis, while the Roman and the modern types, being, as we have said, of a purely political nature and more of antiquarian than actual interest, will be briefly dealt with, so as to give at least historical sequence to the treatment of a problem which has of late aroused the attention of politicians and social writers, of statesmen and popular propagandists.

II

POLITICAL DICTATORSHIPS

§ 1.—Roman Official Dictatorship

In the beginnings of their republic, observes J. J. Rousseau, the Romans often had recourse to dictatorship, because the foundation of the State was not yet so firmly established as to maintain itself by the force of the Constitution alone. Those were times, however, when the manners of the people rendered the precautionary measures superfluous which at other times might have been necessary. There was then no fear that the dictator might abuse his power or attempt to wield it beyond the fixed term.² The three centuries during which the Roman republic from time to time had recourse to the appointment of a dictatorship or *magister populi*, about eighty times in all, were the most vigorous and successful in the long history of Rome. The first dictator was appointed, as is well

¹ A new social order can only be hatched in the nest of dictatorship.

² J. J. Rousseau, *Contrat Social*, Book 4, Chapter 6.

known, in 498 B.C., the last in 202 B.C.—we thus exclude Sulla and Julius Cæsar, who were simply usurpers. In those three hundred years Rome settled the social conflict between the patricians and the plebeians, absorbed the whole of Italy, fought the First and Second Punic Wars, beat Hannibal, and ruined Carthage, rose to a military and naval power of the first magnitude, and entered on her imperial career. Under the protecting shield of dictatorship the severest internal and foreign crises which any nation ever had to encounter were boldly faced and triumphantly overcome. It is this period which made the Romans renowned for simplicity of manners and republican virtues, and a model people on whose deeds and struggles rising liberalism in the seventeenth and eighteenth centuries were so fond of dwelling. After the Biblical figures of Gideon and David came Cincinnatus and Cato (major).

When the "*Patriarcha*," the posthumous work of Sir Robert Filmer, was published in 1680, which advocated the divine rights of kingship and, in mistaking dictatorship for absolutism, pointed out that even free Romans invested certain persons with absolute power, the great martyr to political freedom, Algernon Sidney, replied that great as the powers of the dictator undoubtedly were, they arose from the law. The dictator was only absolute in relation to other magistrates, but not to the people, whose sovereignty remained inviolate. Sidney then proceeds, "Though I do therefore grant that a power like to the dictatorial, limited in time, circumscribed by law, and kept perpetually under the supreme authority of the people, may by virtuous and well disciplined nations, upon some occasions, be prudently granted to a virtuous man, it could not be made into an argument in favour of absolute and hereditary monarchy, for the latter claimed to have power in itself, subject to no law." *

While Sidney idealised the Romans considerably, his distinction between absolutism and dictatorship is a real difference. It is worthy of note that Sidney was one of those members of Parliament whom the first modern dictator, Oliver Cromwell, in his overpowering energy and fury, ordered out of the House.

§ 2.—*Unofficial Dictatorship : Cromwell ; the National Convention*

As it is only free nations which may have to undergo periods of dictatorship, it is quite evident that Imperial Rome and mediæval Europe could have no dictators, but many despots and tyrants. We must, indeed, move forward to the middle of the seventeenth century to find free national aspirations, attempts at liberation from despotism, revolutionary upheavals, and a dictator. And it was England which produced one in the person of Oliver Cromwell. In the critical transition period from absolutism to constitutional government, which was attended by civil and national wars ; in the midst of a chaos in which the new order

* Algernon Sidney, *Discourses Concerning Government*, Chapter II, Section xiii.

germinated; in deadly peril on the one hand from royalist reactions, and on the other from unbending legalism and constitutional pedantries, which brought all reform work to a standstill, Cromwell, the embodiment of the spirit of the new law, suspended Parliament, sent the legalists home, reorganised the power of England, staved off the first royalist reactions, and gave the nation time and opportunity to reassert itself and to regain its self-consciousness. Although his dictatorship lasted for about seven years, he usurped no power: he merely protected the sovereign nation during its birth-throes of a new political order.⁴ A Roman dictator would surely have acted with more decorum and official dignity than Cromwell did in April, 1653, but in all else his functions would have been those of the English Protector. And they arose from the same cause and motives. Rousseau states that Roman dictatorship was also necessary on account of the rigidity of the law, which could not adapt its operations to the requirements of a national crisis.⁵ Still less was it possible for the cumbersome Parliamentary machinery to keep pace with the accelerated movement of national history driven by revolutionary power. "Revolutions," says Marx, "are the locomotives of history."⁶ The gates of any Parliament are too strait to admit a locomotive. This is one of the reasons of unofficial dictatorships in revolutionary epochs.

The French Revolution widened the gates of its successive assemblies and none the less had finally to have recourse to dictatorship. Through the States-General, the Constituent Assembly, the National Assembly, and the National Convention the revolution marched on from the idea of constitutional monarchy to that of a middle-class republic (the Constitution of 1791) and pure formal democracy (the Constitution of 1793). The National Convention, after the purge of the Gironde and the intimidation of the Plain (or marsh), turned in October, 1793, into a Jacobin dictatorship. Its official name was *Gouvernement Révolutionnaire*. It suspended the democratic constitution in order to prepare the country for pure political democracy, to keep down the counter-revolution as well as the communists, and to direct the energies of the people against the foreign foes who encircled France and threatened to strangle her: We meet here again the two essential characteristics of dictatorship: national and social crises, and suspension of democracy, in order to save it. Within ten months—that is up to the Ninth Thermidor (July 27, 1794)—the Jacobin dictatorship laid the foundation of modern France. It established the new higher education, produced the civil code, introduced the metric system of weights and measures, extinguished the manorial rights, and bequeathed to the nation those ideas of formal democracy

⁴ Compare Frederic Harrison's *Oliver Cromwell*, London, 1889, pp. 168-191 and 214.

⁵ J. J. Rousseau, *Id.*

⁶ Karl Marx, *Klassenkämpfe in Frankreich*, Berlin, 1895, p. 90.

which fermented France and the whole of Europe for over a century after.

The best commentary on the motives that led to the suspension of the democratic constitution and the establishment of the Jacobin dictatorship was given by Buonarotti the intimate friend of Robespierre and the real originator of the socialist dictatorship, of whom more later on. He writes:—

Some of those who had participated in the writing of the Constitution, called *democratic* by the patriots, felt that it alone could not assure the welfare which Frenchmen demanded; they thought . . . that it was necessary, above all, to withdraw from the natural enemies of equality the means of deceiving, intimidating, and dividing the people; they knew that a series of extraordinary measures, which were indispensable to the bringing about of so happy and so great a change, were not compatible with the political forms of a normal organisation of society; finally, they were aware—and experience had since then more than justified their views—that without such preliminaries, universal suffrage as provided by the Constitution would mean the handing over of all power to the friends of all social abuses, and to lose for ever the opportunity for assuring public happiness. . . . From all these considerations the Constitution was suspended until the peace, and was replaced by a form of public authority which entrusted power to those people who had initiated the great work of emancipation, and which enabled them to keep down, by legal means, the internal enemies of liberty. This form of public authority was known as the Revolutionary Government; its energy and its achievements were prodigious.

Buonarotti believed that if this dictatorship had been given time and it had enjoyed the confidence of all revolutionary elements, it would have assured happiness and liberty to the French nation.⁷

The ten months of Jacobin dictatorship witnessed also the application of terrorist measures. Terrorism, however, is by no means essential to dictatorship. In France, it must be ascribed to the national temper, to the extremely dangerous condition in which Jacobinism found itself after the passing of its Constitution (1793), and to the inexorable logicity of purely political and legalist reasoning of men like Robespierre, Saint-Just, and all those who dominated the Convention. The Jacobin dictatorship was the highest manifestation of purely political thinking and formal democratic metaphysics, utterly impervious to the consideration that not government and constitutions, but the social economic forces form the foundation of society. Looked at from a socialist point of view, the two types of dictatorship dealt with hitherto appear to have been more or less progressive in political affairs, strong in all matters of national defence, and essentially conservative in all questions that concerned the transformation of the economic structure and conditions of society. Marx would call those types of dictatorship

⁷ Buonarotti, *Conspiration pour l'égalité*, Brussels, 1828, pp. 33-41.

bourgeois. The Roman dictatorships were at first appointed to keep down the aspirations of the plebs; to maintain law and order; they were afterwards called upon to carry on the war. Cromwell set his face against the Levellers and the Saints; his dictatorial work comprised only moderate reforms in church, legal machinery, colleges and schools, and the very important national affair of the union of Scotland with England. Different in degree only, but similar in kind, were the dictatorial achievements of Robespierre and his colleagues.

Radicalism in politics, anti-communism in social economics, great achievements in the organisation of national affairs. All those dictators, from the fifth century B.C. to the end of the eighteenth century A.D., were increasingly political and middle class.

The National Convention, with its great successes in educational, legal, and other national activities, its prodigious dictatorial energy, and its lamentable failures in social and economic reforms, have, in various and divers respects, left an indelible impress on the mind of the masses. A certain distrust of formal democracy has remained as a legacy of *Quatre-vingt-treize*. The subsequent dictatorships have been increasingly social reformist, socialist, and communist, the rise and development of which we have now to trace.

(To be continued)

THE RISE AND FALL OF AUSTRALIAN LABOUR

By E. M. HIGGINS

FOR many years the Australian Labour Movement has been held up as a model of success and efficiency. To those who know the facts of to-day's position this picture, which is still current in other British countries, is no more than a cruel reminder of past illusions. The sudden scrapping by the Australian Labour Party of its whole traditional objective¹ has come as a revelation to the outside world (the full significance of which is still only half understood) of the changing situation.

I

For the twenty years preceding the war there were three main assumptions on which the Labour Movement worked: economic development was to continue steadily; Australian workers could expect a privileged standard of life; this standard would be maintained and improved by a Parliamentary alliance between trade unionists and all the "small men" of the country. Until after the war nothing had happened to prove to the bulk of the working class that these assumptions were hollow and insecure.

Ever since the gold rush of the middle of last century the development of all branches of industry was—except for one or two short periods of depression caused mainly by over-speculation—amazingly regular, rapid, and lucrative. Abundance of cheap new land allowed pasture and agriculture to spread lightly over the attractive areas. New mining fields and new minerals were easy to find when the original districts decayed. As population increased even manufacture developed so suddenly that in the State of Victoria (for which alone early records are available) the number of factories increased tenfold in fifty years (1861-1911), and the number of employees nearly thirtyfold, the last decade, 1901-1911, showing far the swiftest increase. To deal with the vast natural resources there was any amount of British capital available for public works and

¹ The new programme is given in the *LABOUR MONTHLY* for January, 1922.

private business, and the world's demand for wool, wheat, and metals showed no sign of slackening.

The workers had learned to organise in the 'fifties and the 'sixties, and while industry was constantly expanding they were in a position to exact terms which made them seem favoured beyond other mortals. Employers were afraid to refuse sanction to the general claim that Australian workers were entitled to a peculiar standard of living, for masters were running after men.

Having freed themselves from the worst evils of exploitation workers generally were anything but class-conscious. They were conscious of their rights as privileged Australians. The unions often used their strike weapon, and more often threatened it, but they spent continually more energy helping to establish and working through arbitration courts and the Labour Party. The latter, though it grew out of and belonged to the unions, and though its distant programme was semi-socialist, was in practice essentially an electioneering organisation. It was interested mainly in amending the constitution and in protecting Australia's national rights. On the one hand, it fought for centralisation, the "points" of nineteenth-century Chartism, the extension of State control over industry, and the creation of new machinery which, by the peaceful settlement of industrial disputes, would make easier the maintenance of the illustrious standard. On the other hand, it stood for white Australia and national defence through a citizen army and an Australian navy, and it suspiciously opposed imperialist schemes. With this practical policy the Party, led by supple politicians and speaking directly for the 433,000 unionists (1913), sought the favour of the 750,000 other workers who were eligible for union membership and of the mass of small farmers, shopkeepers, and prospecting miners. For special reasons it was able to attract the liquor interest and the Roman Catholic political vote. On these sections it depended for electoral successes, and these successes were calculated to secure, smoothly and pleasantly, continued improvement of the workers' lot along familiar lines. The Australian working class, circumspect, scornful of "foreign agitators," indifferent to the experiences of workers abroad, appeared to be achieving security by means of its own.

II

In the last two years this reasoned complacency has been steadily vanishing, as it continually became clearer that it was no longer possible

to assume that Australia might develop along unique lines of liberal capitalism.

The first and most fundamental assumption, that nothing would seriously check the process of bringing natural resources under economic control, was tenable until the end of the post-war boom. Until 1920, although the absorption of money in war loans put an end to plans for opening up new areas for production, there seemed to be general prosperity. The eagerness of the British Government for Australian produce made possible inflated prices. Primary production, intensively developed within its existing limits, actually increased. Manufacture was favoured by the general dislocation of trade and shipping and by the practical support of the Government, which provided a lucrative market for military stores and took advantage of its control of exports to favour the refining of as many raw materials as possible.

When, however, the boom ended in world-wide commercial chaos, the natural outlets for Australian produce were choked. Primary producers, on the sale of whose goods the country still depends for the bulk of its manufactures, have had to face an appalling glut, aggravated by the fact that some of the huge stocks sold during the war are even yet unconsumed. At the most inopportune time, about the end of 1920, there arrived immense quantities of expensive imports ordered during the boom. Imports increased from £98,000,000 in 1919-20 to £163,000,000 in 1920-21, while exports fell from £150,000,000 to £132,000,000—though recent exports included many goods previously bought and paid for by the British Government. Even the lessening of imports since the middle of 1921 has not straightened out the difficulties of local merchants and manufacturers, or remedied the demoralisation of the Australian exchange on London.

At a time when Australian business is in such distress the dead-weight of post-war debt and taxation has to be borne. The war expenditure amounted to £443,000,000, only £108,000,000 of which came out of revenue. The Commonwealth Debt grew from £19,000,000 in 1914 to £236,000,000 in 1919, when the total public debt per head—reckoning both State and Commonwealth Debts—was £135. Federal taxation per head increased from £3 8s. 4d. in 1915 to £7 19s. 6d. in 1920. State taxes, a further proposition, advanced still more; in New South Wales they amounted to £4,963,000 in 1920, compared with £1,400,000 in the year before the war. Nearly half the Commonwealth Debt falls

due before the end of 1925, and further expensive renewals will be necessary.

Thus the economic stagnation is such that talk of "steady economic improvement" seems now merely a cruel joke. Until the European markets are completely restored trade must be meagre. While free capital is drained by the huge increases in taxation and in public liabilities pioneering must be postponed indefinitely. The fatal fragility of the Australian economic system is now only too obvious.

III

The second assumption, that Australian workers could never be forced to submit to such degradation as their European fellows, has fallen with the first. Incidents of the present stagnation prove how completely, except in periods of remarkably rapid industrial expansion, the regulation of the conditions even of Australian workers is in the hands of the employers.

During the war employers learned much. They constructed for themselves a new organisation; primary producers especially were led into actual syndication as a result of the Government-inspired pools and exchanges. They learned new business methods, for they were impelled, in the absence of large capital to play with, to draw the fullest possible gain from the intensive development of their resources. They got new allies, as the war gave them opportunities to exploit "loyal" sentiment against Labour. To-day, with the cessation of pioneering and with slackness in almost every industry, they have no need to humour the workers. In their eagerness to escape personal financial unpleasantness, their first idea is "to take it out of Labour." With new organisation, methods, outlook, opportunities, and needs, Australian employers are as well able as any to adopt the policy which pleases them best.

What that policy is may be seen from a manifesto published in the *Pastoral Review* (August, 1921), a manifesto which has been freely and admiringly quoted by numberless leaders of the war on Labour, and especially by Mr. Barwell, the Premier of South Australia. It demands lavish immigration (including indentured black labour), the repeal of the Arbitration Acts, abolition of the basic wage and of price-fixing, the extension of working hours, the sale of State railways to private owners, and the immediate abandonment of all Government control over industry. Its demand is simply for the destruction of every achievement

The Rise and Fall of Australian Labour 409

of organised Labour. Practically every one of these demands has already been put singly by representative spokesmen for bodies of employers, and resolute action is being taken to enforce them. Still sterner action is promised by the recent strengthening of employers' organisation; the various Chambers of Commerce are organising into a firm Federation which will even include the farmers, and which promises to work solidly in concert with other similar bodies.

Most significant are the attacks on working hours and the basic wage. Australian Labour is proud of its pioneering work for shorter hours, but the High Court has forbidden the largest union to advocate a forty-four hour week, and the Government even refuses to recognise the Washington Labour Conventions. The Farmers' and Settlers' Association of New South Wales proposed a strike of employers as a protest against the concession of forty-four hours to Government employees.

The basic wage is the central feature of the "standard." In judgments delivered in 1906 and 1907 the Federal Arbitration Court endorsed the principle that the wages of even the lowest-paid workers should be settled "by reference to existing standards of social conditions," and that a minimum wage for Australian workers must take into account

the increased comfort of living and the higher standard of social conditions which the general sense of the community allows to those who live by labour.

It was repeatedly affirmed by the President of the Court that if an industry could not afford to pay such a wage it must be allowed to die. A Commission, appointed in October, 1919, in circumstances similar to those leading to the Sankey Coal Commission, found that the basic wage in every State must be increased from about £4 to £5 16s. if it were to be even of the effective level fixed in 1907. In spite of the most definite and solemn promises the Government did nothing until November, 1921, when it suddenly instructed the High Court to refuse to authorise any increase, on the ground that industry could not afford it.

Employers are going further. In a suit before the Board of Trade the New South Wales Squatters' Association formally proposed a basic wage for rural workers of 30s. per week. Wage-cuts of 30 per cent. are now the general cry, and to enforce them the lockout is being lightly employed in a time of slack business. In the great 1921 Mount Morgan lockout the employers insisted, for the first time, that the living

wage should give place to one regulated according to the selling price of copper.

As a result the "standard" has already become a legend, and there is destitution as never before. The Chairman of the Basic Wage Commission, who personally refused to recommend the increase as a blow to industry, says that—

A percentage of 58.4 of the workers of Australia, who are nearly two-thirds of the community, are below a true living wage; the smallest breach in the slender defence of the family means disaster.

Judge Beeby, the author of the notorious N.S.W. Arbitration Bill, which demanded a State-controlled ballot before a strike, says that—

One-third of the industrial population is living on the bread line, and another third hovering near it.

In September, 1921, 42,000 trade unionists were unemployed, not counting railwaymen, casuals, or those locked out or on strike. The only comfort comes from fatuous globe-trotters like Lord Northcliffe, who assure us that in Australia there are "no slums."

IV

There were certainly several incidents in the life of the Labour Party which threw doubt on the advantages of the policy of a reformist alliance with the small men. It is, however, the abrupt break in the economic fortunes of Australia and the startling demonstration that the working class is in immediate danger of losing far more than its privileges which have made it impossible to overlook the bankruptcy of the traditional Labour policy.

In the first place the new situation has shown the helplessness of the existing organisation to defend the interests of Labour. At the end of 1914 Labour was "in power" in the Commonwealth and in five out of the six States, and trade union membership increased from 433,000 in 1913 to 684,000 at the end of 1920. Still, nothing has been done to check the degradation of the workers, let alone to establish effective nationalisation. Labour Governments have been so afraid of alienating possible "votes" that they have been incapable of standing by the working class.

In the second place it has shown the inadequacy and the irrelevance of the traditional Labour principles, even when they were in sight of being put into practice. Compulsory arbitration can no longer claim gratuitous credit for wage advances. The basic wage seems a futile ideal when so

many are receiving no wage at all. It was considered a Labour triumph when the Commonwealth bought for itself a mercantile fleet, but these ships were used to blackleg on the seamen in 1921. The *Australian Worker* (October 20, 1921) summed up the general disappointment when it urged that—

State enterprises under existing conditions belong really to the capitalists who lend the money to establish them.

The distress of the last two years has done much to suggest that as long as capitalism controls the sources and means of wealth the reform efforts of Labour can be neither successful nor serious. It is obvious that a Labour movement which was built for fair weather, and which took for granted that Australia was an Island of the Blest, immune from the social woes of the Old World, is sadly out of touch with the times.

As a result the balance of power is changing within the Labour Movement. The first step has been a swing away from the Parliamentary leaders to the once-despised "Industrialists." Since the beginning of the war there had been an industrialist wing of the Labour Party whose spokesmen had generally been miners' officials influenced by syndicalist teachings. The large-scale strikes which occurred in the autumn of 1917 and after the end of the war were led by Industrialists; but these strikes were unsuccessful. In 1918 they captured five out of the six State Labour Councils, and they have held control; but this control is of very little moment. It was they who prompted the consolidation of various unions of railwaymen, transport workers, woodworkers, and others into compact fighting units; but it was not they who carried it out. They made a grand effort in 1918-19 to revive previous plans for One Big Union; but though the scheme was adopted on paper by the unions in 1918, the attempt was wrecked by the opposition of some of the larger craft and sectional unions. After the expulsion of the conscriptionist section from the A.L.P. in 1917 they seemed supreme; but with the collapse of the O.B.U. Movement they were expelled as "revolutionaries" by the New South Wales Labour Party, and, since June, 1919, they have maintained their identity only in the small and uninfluential Industrial Labour Party.

They had always been a collection of leaders, but now the manifest collapse of the traditional leadership has given them followers. Anti-Labour newspapers are appalled at "the sudden ascendancy of the creed of class-consciousness." Lord Northcliffe found "Capital

and Labour hardly on speaking terms." The policy of the Industrialists may be still quite nebulous—its theoretical basis a random mixture of communism, syndicalism, guild socialism, and "credit"; its strategy simply the general strike. Their revolutionary will, however, their sincere hatred of the present order, and their clear class-consciousness are attracting numbers of despairing workers. By the middle of 1921 they were dominant in the councils of half the important unions, and strong enough to intimidate the leaders of the others.

By the end of 1920 the Federal Executive of the Labour Party was conscious of its isolation. As a result of the war and the changing business conditions many previous farmer supporters became indifferent and then hostile. At the same time the president admitted that—

members of the Federal Executive know that the masses of the working class are not satisfied with the objective and the reform programme of the A.L.P.

Mr. Mathews, M.H.R., had prophesied that "it would be good-bye to the existing organisations the moment a start was made to reduce wages."

Other leading officials decided to put a brave face on it and to confess bankruptcy. They declared that "the movement was at a dead end"; that "everything is in the melting pot—Labour too"; that "principles which were once regarded as basic have now failed in the test of mighty events." In October, 1920, the Executive proclaimed that "the time had come for a bold move forward," and called for the following June an All-Australian Trade Union Congress, well knowing that the Industrialists would be in the ascendant. The work of that congress and of the subsequent A.L.P. Conference in October, which met to settle the new objective, is thus summed up by Mr. Kneebone, a South Australian delegate, in October:—

The Federal Executive had asked the Industrialists to point the way to unity and progress; the Industrialists did it, and now [in October] the political wing adopted the course indicated. The objective, the methods, and the platform have been re-drafted to harmonise with the industrial scheme which the June Congress had placed before the unions.

It should not be forgotten that the remedy proposed by the June Congress, summarised in an enthusiastic resolution, was to transform the Labour Movement into—

one class-conscious organisation, prepared to take and to hold the means of production, distribution, and exchange by revolutionary industrial and political action.

CAPITALIST CONCENTRATION IN GERMANY

By M. PHILIPS PRICE

PART II

THE Rhine-Elbe Union of Hugo Stinnes is the vertical trust upon which the eyes of the public in Germany and outside are mostly fixed. This was partly due to its extraordinarily rapid fungoid growth as it shot up through the bare leaves of the soil of post-war Germany; partly also to the austere, enigmatic character of its chief leader, Hugo Stinnes. But there is another vertical trust which has grown up at the same time without spectacular truculence. Few people speak about it, but its influence is not one whit less than that of the Rhine-Elbe Union. That trust is the industrial constellation which is oriented round the A.E.G. (Allgemeine Elektrische Gesellschaft).

This great electrical firm was originally a partner in a "horizontal kartel" together with its present rival in the Rhine-Elbe Union—the Siemens-Schuckert firm. It is remarkable that the centre of this vertical trust, after the horizontal period passed, should have been not a raw material concern, as in the case of the Rhine-Elbe Union, but a finishing industry. This made the transference slow and difficult. True, the highly efficient technique of the A.E.G. predestined it to become the centre of the new capital concentration, but the mere fact that it had at first no independent access to raw material delivered it over for some years bound hand and foot to Stinnes, who had founded his power not so much on industrial efficiency, as on coal and iron monopoly. And when the latter swallowed Siemens-Schuckert and so acquired an outlet in the finishing industry also, many people thought that the hour of the A.E.G. had struck. During this crisis in the fortunes of the A.E.G. (1920) the nominal head of the firm, Dr. Walter Rathenau, used the popularity of the socialisation idea in the revolutionary years 1918-1919 to propagate the idea of self-government in industry—the so-called "Planwirtschaft." It is significant that the propaganda among intellectual circles in Germany at this time coincided with the crisis in the A.E.G. and with its threatened subjection to the coal king of Mülheim.

Salvation came, however, at the end of 1920, and indeed largely through the aid of non-German capital. It was fortunate for the A.E.G.

that its general manager, Felix Deutsch, was son-in-law of one of the Kuhns of the New York banking house, Kuhn Loeb. Through this "personal union" the A.E.G. secured a credit of twenty-five million marks in America for the import of necessary raw materials, independent of Stinnes. For this service the creditors were given twenty-five million marks of shares in the A.E.G. These were, according to a report at the time in the *Leipziger Neueste Nachrichten*, taken up by the American Steel Engineering and Automobile Products Co. (Boston), arrangements being made that the Hamburg banker, Warburg, should represent the American interests on the board.

During 1921 the A.E.G. extended its influence over a number of smaller German concerns, which had not only raw material resources within Germany but also important foreign (mostly French and Belgian) connections, so that by the end of that year it was free from any danger of being swallowed by the Rhine-Elbe Union. It proceeded then by the same methods as the latter. It made purchase and sale agreements with other concerns, exchanged shares, interlocked directorates, till at last it could claim to be regarded as a vertical trust with much wider international connections than the Rhine-Elbe and with much greater technical resources at its disposal. Moreover, it has not cut itself off from finance capital. Dr. Walter Rathenau, who has, by virtue of the great power of this trust, become German Foreign Minister, remains a member of the Democratic Party, the party of finance as opposed to industrial capital in Germany.

Some of the ramifications of the A.E.G. in the last twelve months may be studied with profit. They began with the acquisition of the great German railway waggon firm, Link Hoffman (Breslau), whereby a process has begun of bringing all the German locomotive and waggon firms under one control for purchase and sale policy. A further extension in this direction recently has been that made with the old-established firm Friederich Krupp (Essen), which since the war has turned over its plant for the construction of railway material and agricultural machinery. The advantage of this connection with Krupps is the fact that the latter has large raw material resources and valuable foreign connections. Possessing eleven coal pits, iron mines in Siegerland (Westphalia), seventeen smelting furnaces in various parts of the Rhineland, steel-rolling mills (Essen), shipyards (Kiel), Krupps is already a vertical trust on a small scale. At the end of 1921 Krupps entered into an arrangement with the A.E.G. for pooling of orders, for raw material supply, and for a common price policy in purchase and sales. This connection with Krupps is of importance to the A.E.G., for thereby it has an outlet in East Europe, particularly in Russia. Krupps has acquired a large concession for farming and supply of agricultural machinery from the Soviet Government in the North Caucasus, as well as an interest in a new

finance consortium in London, of which the international banking house Kleinwert and the Russo-Asiatic Consolidated (Urquhart) are the promoters, for the exploitation of mining property in the Urals. This was the interest which Stinnes failed to secure in his London journey last November. Thus the A.E.G. has acquired through Krupps a share in a possible mining development along with English capital in the event of its French liaisons being at some future date broken.

For the moment, however, the French liaisons of the A.E.G. are the most important of its foreign connections. They began with the amalgamation with the great Rhineland mining and engineering concern, Felten Guillaume A.G. The agreement with this firm provided for the exchange of seventy-five million mark shares between the two companies (two shares of F.G. valued in 1919 being regarded as equal to three of the A.E.G. valued in 1921). Now Felten Guillaume, which possesses large iron and cable works at Mülheim, had concluded after the armistice an agreement with a French-Belgian-Luxembourg concern called the "Arbed Cie." Behind the "Arbed" stands the French industrial group Schneider-Creusot and the "Basin du Nord" or the Loucheur industrial group in France, which has been formed for the reconstruction of the devastated areas and for the development of the mining areas of North France. The agreement between "Arbed" and Felten Guillaume concerns the supply of cables and electric machinery for reconstruction work in North France. But behind Felten Guillaume stands the A.E.G. Thus both these concerns are really the connecting link between the highly efficient electrical technique of Germany and a coal and iron production syndicate in France. This fact played a large part in European politics last summer, when Rathenau and Loucheur met at Wiesbaden and signed the agreement which gave such offence in London. How far it will influence further international developments depends on the reaction of other opposing interests in England, France, and Germany.

The fact that Schneider-Creusot has by indirect means come into contact with German industrial capital is of course nothing new. The same situation is now revived as existed before the war, when, as Karl Liebknecht established in various speeches in the Reichstag, Schneider-Creusot and Krupps had a secret arrangement for pooling armament orders and for carrying on chauvinistic propaganda in each other's joint interest. Moreover, it is not without interest to note that the new German connection of Schneider-Creusot is with the A.E.G., which, as seen above, is working with the former's old ally, Krupps.

A similar agreement, securing supply of coal and raw material for the A.E.G. and an outlet for its electrical wares in France, has been made with the Société Metallurgique de Terre Rouge. This company was formed in France after the armistice to take over the iron mines and

smelting furnaces of the Thyssen concern in Luxembourg. Behind it stands the Paris bank house Levy and the Credit Lyonnais, a fact which indicates a point of contact between the A.E.G. and French finance capital.

The A.E.G.'s recent expansion into the region of copper and of international wireless enterprises is also important. It has recently acquired a controlling interest in the Hirschkupfer A.G., which itself is part of a syndicate (capital 430 million marks) embracing the whole of the copper production of the Middle German mining field. Through Hirschkupfer it has acquired a share in Hackethal A.G., the big cable works at Hanover (capital forty million marks). This last has a working agreement with Weiler (French Wireless Company, Paris) and the English Marconi Company of the Isaacs family.

But the ramifications of the A.E.G. in search of markets and raw materials go still further. In contrast to the Rhine-Elbe Union it shows a strong tendency to work together with bank and trading capital. It has now close touch with companies engaged in the circulation of the products of industry and in the financing of trade exchange on an international scale during the last twelve months. But on the other hand, by this development the A.E.G. runs the risk of ceasing to be an industrial concern and of becoming first allied and then subordinated to bank capital. Here one begins to see the internal conflict going on in Germany as in every other capitalist country at the present time between industry and finance capital, between capital that lives to produce surplus values and that which lives by finding outlets for surplus values. Since the latter function is the most vital for the existence of modern capitalism, except during periods of war and artificial currency inflation, it is not difficult to see that in the struggle bank capital has the scales weighted in its favour.

The connections of the A.E.G. with the international money merchants began through trading capital. During the last twelve months there has developed in the Rhineland a chameleon-like institution which belongs to no country but seems to be able to operate under every country's flag (except that of a Soviet Republic). Its name is Otto Wolff A.G. Starting in Cologne as a German registered company trading in metal products, its managing director, Othmar Strauss, set out to rope in the smaller German engineering, mining, and smelting concerns which had not been swallowed up by Stinnes on the one hand and the A.E.G. on the other, and which had, through properties in Luxembourg, Lorraine, and the Rhineland requisitioned since the war, acquired valuable connections with Entente banking groups. With this firm the A.E.G. has now concluded an agreement whereby the former becomes the latter's export agent for certain lines of goods, and both exchange share capital in each other's concern. Shortly after this Otto Wolff

acquired the sole agency for the white lead production of Brunswick. It then acquired a controlling interest in the Rheinisch Stahlwerke A.G. (Duisburg), a large iron mining and smelting company independent hitherto of the two vertical trusts, by acquiring 160 million marks of its capital. Thus from trading capital it began to move down and to invade the raw material industry. This led to controlling interest in the Phœnix A.G. (capital 275 millions), which has smelting works, steel rolling mills, and coal and iron mines in Rhineland and a partnership in the Karl Lueg mine at Fentsch in Lorraine, now converted into a French company and operating under the French flag with the participation of several French banks. Also through the Phœnix A.G. Otto Wolff acquires a share in the Gutehoffnungshütte (Haniel) concern (capital eighty million marks). Now the Haniel concern owns steel works, coal mines (Oberhausen, Rellinghausen), iron mines (Eifel in Lorraine and Grub Steinberg in Luxembourg), all of which are now under control of French banks, but which have agreements to supply A.E.G. through Otto Wolff with ores and to take electrical machinery in exchange. Also through Haniel the A.E.G. gets a share with the Hamburg-Amerika Line in the Deutsche Werft (Hamburg), the most modern shipyard in Germany. Since the armistice the Haniel concern's interest in the Rhine navigation has been taken over by a French company, the Société de Navigation du Rhin, but the French have left 40 per cent. of the share capital in the Haniel concern, and half of this has been taken up by Otto Wolff. Further ramifications of the A.E.G. through Otto Wolff is seen in the fact that Haniel concern has a Dutch branch called Koniglike Nederlandsche Hoogoven & Staalfabrik (Hague). Through the German Haniel Otto Wolff has a share in the Dutch Haniel and operates there under the Dutch flag. Again, after acting as sole agent for some branches of production of Krupps (Essen), Otto Wolff has, together with this firm and the A.E.G., acquired each a third of the shares in the Rheinmetal & Maschinenfabrik (Düsseldorf), one of the largest engineering firms in Germany and before the war the most powerful competitor of Krupps. This creates another link in the chain connecting in Germany Otto Wolff, Haniel (Germany), Haniel (Holland), Phœnix, Krupps, Felten Guillaume, "Arbed," Société Metallurgique de Terres Rouges, and A.E.G.

These interlocked concerns are nothing less than a gigantic vertical trust, but one which is for four reasons more adaptable to crises than the Rhine-Elbe Union. Firstly, it extends at several points across national frontiers. It has strong French connections, as we have seen, through the now liquidated German mining properties in Lorraine, Luxembourg, and the Rhineland. But it has also English connections through Krupps and connections with Russian schemes both through French (Loucheur) and British (Russo-Asiatic Consolidated) channels. Secondly, within

Germany it has, after getting over initial difficulties, brought under its wing nearly all the important finishing industries with raw material resources not already in the Rhine-Elbe Union. The exceptions are the Stumm concern, the Thyssen concern, the Mannesmann Rohrwerke (Düsseldorf), and the Klockner concerns. Moreover, even these are tending to move in the direction of agreement with or affiliation to the two vertical trusts. Thus Klockner is negotiating with Thyssens, and the latter already holds share capital in Krupps and has an agreement covering exchange of products and price policy with the Société Metallurgique de Terre Rouge where overlapping takes place with the A.E.G.

Thirdly, the group of which the A.E.G. is the centre contains every kind of modern form of capital—industrial, trade, and banking capital. The capital of all its affiliated concerns and those with which working agreements have been made is probably somewhere near two milliard marks, and its influence in the alliance of German industries—the semi-political body to which all undertakings in Germany of any kind belong—is probably at the moment more powerful than that of the Rhine-Elbe Union. The large but amorphous mass of small industrial concerns—trading capital, agricultural capital—is too much dispersed to exercise any effective influence on German politics except through one or other of the two vertical trusts, and particularly the A.E.G. The fourth reason for the great power of the A.E.G. group is the fact that, as I mentioned above, it has close connections with German banks and even with the international money houses. The importance of this is very great, for German banking capital is showing unmistakable signs of commencing a big concentration, as if it were awaiting a big industrial crisis. Thus, if the German finishing industries, through pressure from the Entente, fearing dumping, or through the policy of the raw material interests in the vertical trusts driving German coal and iron price up to or even above the world market price, are unable any longer to compete in the export business—and this situation may be approaching—then the banks will be able to come in and acquire dominating influences in German industry once more. The A.E.G. group, built up mainly on finishing industry capital, would fall into their hands but for the fact that its already close connection with the German banks (Disconto Bank, Berliner Handels Bank, Dresdner Bank) and with the international money merchants, Kleinwerts (London), Oppenheim (Cologne), Levy (Paris), secures it from catastrophic liquidation. On the other hand, German industrial capital, relying mainly on operations in coal and iron raw products on the world market, as the Rhine-Elbe Union, though freed from the fear arising from the equalising of prices within and without Germany, runs the risk of being hemmed in its development by industrial rivals with good banking connections in Entente countries. And the

German banks are awaiting a chance to swallow up Stinnes the moment he gets into financial difficulties.

During the winter of 1921-22 a series of important bank amalgamations have taken place : the Discontogesellschaft with the private banks Oppenheim (Cologne) and Levy & Hagen (Cologne); the Darmstadter Bank with the Barmer Bankverein; the Dresdner Bank with Hardy & Co. (Berlin); and the Bayerische Hypothekenbank (Munich). These new groups are further connected with each other through the Allgemeine Deutsche Creditanstalt and the Suddeutsche Discontogesellschaft, which have blocks of capital in all three. The total capital involved is 1,168,946,000 marks, which is more than the capital of the Rhine-Elbe Union. Thus in Germany, as in the rest of Europe, finance capital is preparing to get back its pre-war position, lost during the period of inflation. For the artificial markets, created by the war, made money cheap and long credits unnecessary. But the process of deflation going on in England since 1921, and the steady approach of German home prices to the world market, is bringing the banks back to their own again. The position is being reached once more in which industrial capital cannot circulate its products without finance capital. The former's independence of the latter was only a war-time phenomenon, and the artificial conditions of war-time have clung with particular stubbornness to Germany, partly through the tremendous inflation of currency during the war and partly through the indemnities and reparations. And Germany will probably be the last country to stop inflation, for after all the interest in it is still very strong, especially with the vertical trusts. Thus the A.E.G.'s finishing industries make large profits by producing below world market prices. The Rhine-Elbe Union, as I have shown, is less interested in this, but even here it is doubtful if Stinnes would like to see full world market prices reached. He more probably aims at a position a little below world market prices, so as to prevent his finished industries from going bankrupt, while giving him a maximum profit on his coal sold outside Germany. This is really one of the causes of the rivalry between the Rhine-Elbe Union and the A.E.G., between Stinnes and Rathenau, between the parties of the Government block and the People's Party. This rivalry is traceable partly to differences of opinion over the degree of inflation desirable in Germany and partly also to the alliances or prospects of alliances which these two blocks of industrial capital have formed outside Germany with capitalist groups of former enemy countries.

Now the great feature of European politics for the last year has been the ever-increasing Anglo-French rivalry. This is largely based on the fact that in France agrarian, luxury trade, and finance capital is dominant, giving the Government little interest in raising the key industry production and the purchase power of the population of the Continent. On the

other hand, in England the interests of the bondholders and international moneylenders are relatively weaker, and those of trading and industrial capital relatively stronger. But even that part of French capital which, like the Loucheur Basin du Nord and Schneider-Creusot, is interested in key industry production has interests conflicting with the F.B.I. For though it is a product of war-time inflation and though it is fighting the international money merchants in London and Paris, on the other hand it fights also the industrial and trading capital in England, which is hit by a French industrial hegemony on the Continent. The converging point of this complex struggle is Germany, which has been fought over between English and French capitalist groups ever since the London ultimatum. During last summer competing English and French groups had powerful allies in Germany. After the Wiesbaden agreement there were considerable possibilities that a Franco-German industrial combination would come into existence based on the coal and iron of the Basin du Nord, the smelting furnaces and roller mills of Creusot, and the electrical technique of the A.E.G. The Rhine-Elbe Union, on the other hand, was seeking to create an Anglo-German combine for the exploitation of Russia. The French bondholders and the international money houses in Paris and London largely broke down the chances of the Loucheur-Rathenau combination, and after this the A.E.G.'s policy became more directed towards seeking closer connections with the international banking houses, particularly in London. In the new year it ousted the Rhine-Elbe Union from the proposed Anglo-German corporation for the exploitation of Russia and took its place through Krupps. But its Anglophile tendency may be short-lived if British finance, trading, and industrial capital together succeed in forcing deflation on Germany, thereby laming the export capacity of the A.E.G. It may even attempt direct co-operation with the Russian Soviets, independent of London, fearing that the Rhine-Elbe Union, which, since the failure of Stinnes's London journey last November, has shown a strong tendency to move in this direction, may get in first in Russia.

Up to now the position has been that the struggle between the two vertical trusts in Germany has been to a large extent a reflection of the struggle in the Entente lands, and this on analysis is seen to be a struggle between different forms of capital accumulation. But if the bondholders and finance capital in England and France should unite and obtain sole control over their Governments, force deflation in Germany to its fullest extent, and create a united front against the Russian Revolution, imposing on it the full burden of the Tsarist and war debts, then a new situation would be created. German industrial capital, represented in the two vertical trusts, would either be forced into liquidation by having to join the new combination of international bank capital, along with the German banks, or else would have to stop its internal feuds and enter a separate arrangement with the Russian Soviets—an amalgamation of Russian

State capital with German industrial capital. If the latter development took place this would bring into existence a political alliance between the countries of Eastern and Central Europe with low exchanges against the bondholding interests of the West with strong exchanges, and in this case it is doubtful if Poland would hold out. For the real object of the finance consortium of the West would be, not the industrial reconstruction of Europe, but the acquisition of monopoly rights over the economic resources of Germany, Russia, and Poland by dint of indemnities, Tsarist and war debts. Further, it might attempt to divide the countries with weak exchanges and to attract German industrial capital back to its service by promising it advantages if it would sacrifice profits on trade exchange and production for interest on debt. It might even seek to interest the whole population of Germany in the exploitation of the countries further to the East.

In the meantime, however, the capitalist system of Europe presents a picture of complete industrial anarchy. But there is no reason to believe that the fate of the population of Europe would be any more enviable under the control of the finance consortium. The only hope then would be that the concentration of capital on a super-national scale would bring about an economic situation in the world in which, in the words of Rosa Luxemburg, "capitalism would become choked in its own surplus values." At the present moment the question whether we are on the eve of a still greater capital concentration depends on two factors. The first, as I have indicated, is the outcome of the struggle between the national divisions of European capitalism, expressed in the Anglo-French economic rivalry. The second—the latent cause of the first—is the struggle within the capitalist world between industrial and finance capital, between that interested in inflation and that interested in deflation. The concentration of capital in Germany into two vertical industrial trusts since the revolution is only one stage in the process, the final stage of which may have to be fought out on an international scale between a still higher form of capital concentration, on the one hand, and the united forces of international Labour on the other.

The World of Labour

	PAGE
INTERNATIONAL : The Trade Union International at Rome	422
The Socialist Internationals at Berlin and after	424
RUSSIA : The Eleventh Communist Congress	426
UNITED STATES : The Miners' Struggle	427

INTERNATIONAL

The Trade Union International at Rome

SINCE the foundation of the new International Federation of Trade Unions at Amsterdam in July, 1919, it has held one special congress at London in November, 1920. The second ordinary congress was held at Rome on April 20-27 of this year. Nineteen countries were represented by ninety-four delegates, with nineteen fraternal delegates from the separate trade union internationals.

The united working-class front, and the policy of world trade unionism to face the world capitalist offensive and the danger of war, were the central subjects of discussion.

In opposition to the recommendations of the Berlin conference of the three Internationals, the united front with the Red Trade Union International was rejected. Edo Fimmen, the secretary, when asked whether it was a fact that a Dutch comrade had instructions to arrange a conference between the I.F.T.U. and the Red Trade Union International, declared that there was no truth in the statement, and that "the bureau declines to negotiate with the so-called Red Trade Union International, which in the strict sense of the word is not a trade union international." He further remarked that the resolution passed by the Berlin conference would not influence the I.F.T.U., since "we are the true international which withstands all attacks from both the right and left wings."

The reports from the various countries revealed a general condition of unemployment, strikes, wage-cuts, and attacks on hours common to all. To meet this situation intensified organisation was advocated, and it was decided to issue a circular urging affiliation to the I.F.T.U.

Previous decisions in favour of international action against war, including the international general strike, were re-affirmed. The president, however, Mr. J. H. Thomas (who was elected president at the 1920 congress in succession to Mr. Appleton, and was re-elected at this congress), declared that the I.F.T.U. was not strong enough to carry out a general strike, and that its failure would entail the disintegration of the Federation.

It was decided to hold the next annual congress at Vienna, and an extraordinary anti-war congress, to which representatives of America, Russia, and Japan should be invited.

The following is the text of the principal resolutions carried:—

ANTI-WAR RESOLUTION

This Congress of the International Federation of Trade Unions, held at Rome on April 20 and the following days, attended by delegates from the trade union centres in France, England, Germany, Italy, Austria, Belgium, Czecho-Slovakia, Sweden, Denmark, Norway, Holland, Poland, Spain, Switzerland, Hungary, Latvia, Jugo-Slavia, Luxembourg, and Bulgaria, comprising a total of twenty-five million, organised workers, and representatives from the international secretariats of Transport Workers, Miners, Metal Workers, Factory Workers, Agricultural Workers, Textile Workers, Commercial Workers and Technicians, Post and Telegraph Workers, Municipal Workers, Woodworkers, Builders, Garment Workers, Bookbinders, Printers, Shoemakers, Distributive Workers, Stonemasons, Tobacconists, Painters, Lithographers, Hatters, Diamond Cutters, and Musicians, declares that the struggle against militarism and war and for peace, based on the fraternisation of the people, is the chief task of a trade union movement which has for its plank the overthrow of the capitalist system.

The Congress declares that its special duty is to combat all political or economic nationalism and the conclusion or maintenance of alliances or agreements likely to be conducive to concerted military action. It also confirms the resolutions on war and militarism adopted by the extraordinary congress of the Trade Union International held in London, November 22-27, 1920, and by the joint conference of the Bureau of the International Federation of Trade Unions and representatives of the international secretariats of the miners, transport, and metal workers, held at Amsterdam on November 15 and 16, 1921.

In the opinion of the Congress it is the duty of all organised workers to oppose all wars which threaten to break out in future by every means at the disposal of the working-class movement, and to prevent the actual declaration of such wars by the proclamation of an international general strike.

The Congress further declares that it is the duty of all national trade union centres affiliated to the I.F.T.U., and also of all professional secretariats affiliated to the I.F.T.U., and their respective organisations to conduct an active anti-militarist campaign amongst the workers in their respective countries, both by writing and speeches, so that the workers will be ready to respond to all appeals for working-class solidarity, and if there be occasion, to comply with the decree of the I.F.T.U. for an immediate cessation of work in the eventuality of an actual danger of war.

The Congress lends its support to the efforts of the international organisations which control the manufacture of arms and all kinds of war material, reducing them to the minimum necessary for civil needs.

RESOLUTION ON WORLD REACTION

The Congress of the International Federation of Trade Unions, having examined the situation created for the international proletariat by the capitalist powers and governments in the whole world, maintains that:—

The agreements made with the workers have not been kept; on the contrary, the few advantages won by the proletariat are threatened by the international employing class and the forces of reaction who make use of various pretexts in their audacious efforts to crush trade unionism by attacking, especially, the eight-hour day, wages, social legislation, and international conventions.

The Congress vehemently protests against all reactionary measures such as military dictatorship, fascism, military assassinations, and the ruthless sentences and imprisonments inflicted in various countries, and declares that the few improvements

secured by the workers since the war should not be regarded as the gift or reward of the capitalist bourgeoisie, but as rights acquired by means of the organised workers' struggle.

Further, the Congress appeals to all workers throughout the world, both manual and intellectual, to affiliate their respective trade union centres to the I.F.T.U.; it appeals especially to Russian and American workers, and those of far away Asia, so as to establish the united front of the world proletariat in a single organisation. It further declares that only through unity in organisation and action will the proletariat be able to resist the forces of reaction and to free labour.

As regards the immediate defence of working-class interests and social liberty, the Congress agrees that each national trade union centre should keep the I.F.T.U. fully informed of its position, so that it could eventually take energetic measures to give moral, financial, and material support to those countries most in need of help.

The Bureau of the I.F.T.U. is requested to issue a manifesto to all the workers of the world (men and women, hand and brain), asking them to join the I.F.T.U. as the most efficacious means of self-defence against the attacks of reaction.

The watchword should be: Defence of the Eight Hour Day! Defence of Wages! Defence of Improvements and Freedom already gained!

The Socialist Internationals at Berlin and After

THE long heralded Berlin Conference of the Three Internationals on April 2-6, the main proceedings of which have been widely reported, failed to establish the joint conference which it had been hoped to hold parallel with the Genoa Conference. This failure was due to the opposition of the Second International (as recorded in the joint resolution below) which refused to agree to a general conference except in principle. The consequence of this failure was to rob the conference of a good deal of its immediate practical significance; and the additional refusal (also on the part of the Second International) to deal with the question of the Versailles Treaty was equivalent to a confession of impotence on the part of the international Socialist movement. The net achievement was to establish a joint committee of nine to arrange a conference. A series of points were laid down for a common platform for demonstrations on April 20 or May Day, but the execution of this in the principal countries was very limited in scope.

The full text of the joint resolution adopted by the conference was as follows.—

JOINT RESOLUTION

This Conference is agreed that, however much the unification of working-class organisations may be desired, at present there can only be a question of joint discussions between all the movements represented at this Conference with a view to joint action for definite issues. Therefore, the Conference suggests that the executives agree to the appointment of an organising committee of nine, whose duty it will be to convene further conferences between the three executives, as well as conferences on a larger scale to include parties not affiliated to any of the three Internationals. The appointment of the three representatives from each section is left to the discretion of the three executives. Majority decisions will not operate in this organising committee, whose duty will be to register the joint agreed points of view of the three executives.

This Conference thinks it advisable for the Organising Committee to try to effect a non-committal meeting between the representatives of the International Federation of Trade Unions of Amsterdam and the Red Trade Union International, to investigate the maintenance and reconstruction of the united trade union front,

both nationally and internationally. It further records the declaration of the Third International representatives that the forty-seven social revolutionaries on trial may choose their own advocates, and that, in conformity with the Soviet Press declaration before the Conference met, capital punishment will not be inflicted. Since this trial is public, representatives of all three executives may be present, who will be at liberty to take shorthand notes, so as to report proceedings to their affiliated organisations.

This Conference affirms the readiness of each executive to accept and investigate the proposed reports from various sources on the Georgian question. The Conference entrusts the drawing up of the results thus arrived at to the Organising Committee, with a view to submitting them to a future conference of the three Executives.

The Conference places on record the declaration of the representatives of the Second International to the effect that they consider it impossible to convene a general conference during the month of April; that is whilst the Genoa Conference is in session. However, the Conference is agreed in principle on the necessity of convening a general conference at the earliest possible date. The executives undertake to inform their affiliated organisations of the progress made in Berlin towards calling a general conference, and to give full powers to their members on the Organising Committee to ensure the realisation of a definite decision arising from the discussions on the calling of a general conference.

Since, for the reasons already mentioned, the organisation of the general conference is not possible during the current month, this Conference is of opinion that, in the face of the offensive of international imperialist capitalism, it is the duty of the international class-conscious proletariat to manifest their united wishes by international mass action. For this purpose, the Conference calls on the workers of all countries to hold joint mass demonstrations with the greatest possible unity during the Genoa Conference, if possible on April 20, or, where this date be impossible for technical or organising reasons, on May Day :—

For the eight-hour day.

For the fight against unemployment, which has been immeasurably increased by the reparations policy of the capitalist powers.

For the united action of the proletariat against the capitalist offensive.

For the Russian Revolution and help for the famine victims, and for the resumption of full political and economic relations of all countries with Russia.

For the establishment of the united working-class front in every country and in the International.

(Signed by the representatives of the Three Internationals.)

Since the above resolution demonstrations have been held, but in the principal countries the united front has not been achieved. In Germany the Majority Socialists refused to participate in the demonstrations held on April 20, which were confined officially to the Independents and the Communists. In France the Communists and Unity C.G.T. held joint demonstrations on April 23 and May Day, but refused the offer of the French Socialist Party to collaborate. In Britain nothing was done to organise joint demonstrations of the Labour Party, I.L.P., and Communist Party, although all three were pledged to do so by the Berlin decisions.

Attempts were made to hold a meeting of the committee of nine on May 7 at Düsseldorf by the Vienna International and the Third International, but fell through owing to the opposition of the Second International. The Executive of the Second International arranged to meet at Cologne on May 20, and suggested a meeting of

the committee of nine there on May 21. It should be remembered that Cologne is in the area of the British Army of Occupation and difficult territory for revolutionaries.

RUSSIA

Eleventh Communist Congress

THE eleventh congress of the Russian Communist Party, which was formally opened by Lenin on March 27 in the Sverdlov Hall of the Kremlin, Moscow, was the second held under virtually peace conditions. The congress was able to congratulate itself on having disappointed the expectations of those who had predicted disrapture in the Party as soon as armed attack from outside had ceased. There was less fundamental cleavage of opinion at this conference than at any previous one.

The only point of internal dissension was concerned with the so-called "Labour opposition." This left-wing group, headed by the Communists Schliapnikov, Mednedov, and Kollantai, sympathised with the German "Communist Labour Party" point of view and did not agree with the tactics of the new economic policy. At the tenth congress of the Russian Communist Party they had agreed to abide by party discipline, and Schliapnikov, as a proof of good faith, was elected a member of the central executive. In spite of this the group had attempted during the past year to develop an illegal fractional organisation inside the Party, and its members had expressed themselves in open hostility to the Communist Party. At the meeting of the augmented Executive of the Communist International in February an international commission was appointed to examine the charges made by the "Labour Opposition" in a complaint brought before the Communist International by twenty-two of their members. The international commission decided the charges made were without foundation and reported very unfavourably on the activities of the Labour Opposition.

The eleventh congress confirmed this report, and decided that two members, one of whom had actually been a Menshevik until 1920, should be expelled from the Party. With regard to the leaders, Schliapnikov, Mednedov, and Kollantai, about half the congress demanded their immediate expulsion; the other half, in view of past services, was in favour of allowing them one more chance of altering their policy. For the sake of greater unity the latter course was decided on, and the Central Executive given strict instructions to order their expulsion if they continued to act in opposition to the Party.

The main work of the congress was devoted to considering means for the furtherance of the "new economic policy," and especially for strengthening the Party organisation and the development of closer connections between the proletariat and peasantry. This last formed the main theme of Lenin's opening speech. The Genoa Conference he passed over as presenting little difficulty. He foresaw at Genoa that there would be incidents, disputes, and even splits, but he foresaw also that the economic necessities of the situation would determine that a big step forward should be taken in the trading relations of Soviet Russia and capitalist countries.

In the discussion of the internal situation of the Party it was reported that the membership now stood at about 350,000. This was chiefly the result of the drastic revision undertaken at the end of last year when about 200,000 members were expelled, but it was partly the result of the desertion of petty bourgeois members who had taken up private trading under the new economic policy. Nevertheless it was

decided that the Party ranks should be almost closed to new members during the coming year. They were determined to concentrate on raising the level of efficiency of their present members and developing their contact with all the organisations of the workers' and peasant masses. A special commission reported on the methods of Communist work in the villages, and the weight that was laid on this provided one more illustration of the attention that was being paid to the necessity of what Lenin termed "interlocking" with the peasants.

UNITED STATES

The Miners' Struggle

THE world crisis in the coal trade has led to a national wages and hours struggle in the American coalfields which has involved the greatest number of men ever on strike in the U.S.A. Practically all the members of the United Mine Workers of America came out on April 1, and were subsequently joined by the non-union men, bringing the original total of 600,000 to about 700,000. Both the workers in the bituminous and anthracite mines are involved, the former because of failure on the part of the owners to renew the contract which in accordance with the 1920 agreement should have taken place at an inter-State conference prior to April 1, 1922. The owners refused to comply with this stipulation, urging that the "war wage scale and thirty-hour week cannot form the basis of a possible agreement." Hence they propose:—

(1) A 40 per cent. reduction in wages; (2) Separate agreements; (3) Exclusion of the check-off system in contracts.

The bituminous coal miners demand a new contract based on:—

(1) A six-hour day; (2) A five-day week; (3) Time and a half for overtime; (4) Weekly pay, as against once every two weeks.

But the owners declare that these demands would add £50,000,000 to the annual coal bill; President Lewis of the Miners' Union showed that the tonnage basis of pay would be retained and that the miners' demands meant stabilisation of the working week which is seldom a thirty-hour one. His contention has since been confirmed by four different surveys: Those of the U.S. Geological Survey, the Federal Government, the Russell Sage Foundation, and the Bureau of Labour Statistics. Though varying in scope these researches have a common basis of agreement: the low standard of pay, and the enormous waste of time in the working year. It is proved that a study of the budgets of 246 miners' families shows that 146 had a deficit of an average of 115 dollars 20 cents at the end of the year; that the average annual earnings of 33,396 miners in 200 bituminous mines were 1,357 dollars 40 cents which does not reach the "minimum of subsistence" laid down by Professor Ogburn of Columbia University, and is little more than half the figure of 2,244 dollars which he estimates as necessary to give a miner "a minimum of health and comfort."

In respect to the hours worked the various surveys show that the annual average number of days worked during the past thirty years was 215; so that a thirty-hour week would actually mean an advance on that, bringing the annual total up to 250 days. It is estimated by the New York National Bank of Commerce that the 1921 figures will probably show that the days worked will not exceed 165 to 170. It is of interest to examine the cause given for lost time, which amounts to ninety-three days annually, since the potential working year in the bituminous mines is 308 days: seasonal demand is responsible for the loss of forty-four days, over-development for

thirty-four days; business depression for fifteen days; strikes are negligible, the average during 1910-1918 being six days out of fifty-six lost in the anthracite mines, and nine out of eighty-five in the bituminous. Hence the five-day week stands justified on the facts of the case.

Since 1917 the average rise in miners' wages is put at 30 per cent.; but the Senate document No. 259, in its 1917 reports on income tax, shows profits of 340 bituminous coal-mining companies in Western Pennsylvania as varying from 25 per cent. to 1,000 per cent.; more than two-fifths of the number made profits varying from 100 per cent. to 500 per cent., and fourteen companies made 1,000 per cent. and over! But the miners' wages did not even keep pace with the cost of living, which between 1914-18 advanced 85 per cent.

The anthracite miners, whose contract also terminated on March 31, ceased work as is customary every two years when awaiting a new agreement, their wages in no way kept pace with the cost of living, hence their demands include wages increase, and are:—

- (1) A two year blanket contract that will end all individual agreements in the mining of coal;
- (2) A 20 per cent. increase in the contract rates for mining coal, and a dollar a day increase for day men;
- (3) Uniformity of rates in the anthracite regions;
- (4) Extension of the eight-hour day to all classes of work around mines;
- (5) Continuation of the check-off system of collecting dues; that is deduction from wages by the employers of trade union fees.

It is generally acknowledged that a discontinuance of the check-off system in accordance with the employers' wishes will mean a weakening of the mining unions, and shows, were that necessary, that the owners have forced on the present struggle in an attempt to further the "open shop" campaign. The coal industry is suffering now from over-production and cessation of work means increased prices for the mine-owners who stand to lose nothing by a strike now. The position of the miners, on the other hand, with their exhausted exchequer is fraught with danger and will tax the workers' solidarity to the utmost if success is to crown their efforts.

BOOK REVIEWS

THE BRITISH SCHOOL OF MARXISM

An Outline of Psychology. Plebs Textbooks No. 1. Plebs League. 2s. 6d.

The Economics of Socialism. By H. M. Hyndman. Grant Richards. 10s. 6d.

Karl Marx. By Harold J. Laski. Fabian Society. 1s.

Communism and Society. By Wm. Paul. Communist Party. 2s. 6d.

The People's Marx. Edited by J. Borchardt. International Bookshops. 2s. 6d.

THE above five productions may be taken as constituting a typical collection of current literature on Marxism in this country.

Here we have the inevitable Hyndman classic repeating the old noisy assertions about surplus value and commercial crises, without any of them making an atom's real difference to the author's political outlook on the affairs of his own day.

Here also is the usual little booklet of the amiable outsider who steps in to explain to a gullible public what Marx is really about (from the best second-hand sources).

Nor is it possible to fail to recognise William Paul's latest re-writing of that great single book which all members and ex-members of the S.L.P. so frequently write, outlining the history of man from the primitive clan or gens to communism.

And then there is the Plebs textbook, hot with the atmosphere of controversy, as it fearlessly introduces to the proletariat the heady ferment of the New Psychology.

Finally, and almost forgotten, is a little reprint in English of some of Marx's writings. It was printed in Germany.

* * * *

What is the explanation of the peculiar character of the Marxist Movement in this country and America? It is prolific, indefatigable, and vehement; it is tireless in endeavouring to "popularise" its concepts by "simple" language; it has a great deal of economic learning to its credit, and a great deal of interesting research—and yet all the time there is something lacking, something that is not lacking in the vivid political Marxism of the Continent, and that was certainly never lacking in Marx. What is that something? Is it that it has no application?

Hyndman in his book has a long chapter on Crises. He deals exhaustively with crises in 1825, in 1831, in 1847, in 1857, in 1873, and in 1893. And there he stops, although he had brought the book elsewhere up to post-war conditions.

How many persons in this country still think of Marxism as only a peculiar economic system based on a certain theory of value. And yet it is doubtful whether in all the newly translated Russian writings which constitute the most important contribution to Marxism in our time there is so much as a mention of the theory of value. It is said that at a recent international congress at Moscow a delegate began to talk of the theory of value. "The theory of value?" queried Radek. "What is that? I seem to have heard of it at school."

The Plebs League is the most vigorous exponent of Marxism in this country. But the Marxism that the Plebs teaches is a *non-party* Marxism. Could there be a simpler contradiction of Marxism?

Marxism in this country is a branch of learning. It is a case of Marx *versus* Marshall, as if the two were rivals on the same plane. Its exponents are academic in the highest sense, in that they teach without deducing the lessons from what they teach. It is true that they will introduce such universally accepted watchwords as industrial unionism; just as the university lecturer will introduce the universally accepted watchwords of his milieu, such as patriotism. But they draw no concrete results. There are a host of books and pamphlets and syllabuses in this country popularising Marxism and economics and industrial history. There is not a single book which really attempts to tackle the problems and tactics of the Labour Movement in this country to-day. And yet it is the latter work which would be more truly Marxian.

The result is beginning to show in the products of Marxian training (not the original pioneers) that move among us to-day. The suspicion is already beginning to gain ground that some of them are not so very different from the ordinary trade union leader. This is not because the teaching of Marxism to them has lacked sincerity: it is because it has lacked positive content, and therefore the result reveals that the Marxism they have so glibly repeated has meant nothing to them.

The mark of learning divorced from action is that it is always branching out into new sidetracks and byways, with more learning and yet more learning, because it has nothing else to do.

So the first proletarian textbook in this country is a textbook on—psychology.

It may be a very good textbook on psychology. Some of those competent to judge say that it is an admirable primer. But it is certainly not Marxian. It does not make a Marxian textbook of psychology to condense the ordinary commonplaces of the psychologists and replace the usual anecdotes by anecdotes with a working-class bias.

A Marxian psychology would begin with society, and deduce the individual man therefrom. But the writers of this textbook follow with such sheeplike fidelity in the barren individualist footsteps of the bourgeois psychologists that they actually only introduce society as a reflection of the "gregarious" instinct! They repeat all the vicious nonsense about the psychology of the crowd and the herd instinct, without for a moment taking into consideration the character of a machine-civilisation and mass-production; they speak of the power of the Press as based on human "suggestibility," without considering the economic compulsion which is the basis of the power of the Press. In other words, they are giving us without knowing it all the common anti-socialist dope of the psychologists. They are producing a psychological interpretation of society, instead of a social interpretation of psychology.

* * * *

There is no occasion for hostility to the conception of a proletarian science. A workers' movement that is alive and active will claim all domains for its own, and infuse new life into each. But if the practical movement is weak and ineffective, its

science will become elaborate and sterile, a mountain of knowledge without outlet. And that is what has happened to Marxism in this country.

The erudition of the Marxist movement in this country and America is not a contrast to the backwardness and lethargy of the general Labour Movement; it is its counterpart and reflection.

There is a Marxian interpretation even to the Marxist movement in this country
R. P. D.

AN AMERICAN ON BRITISH WORKERS

Full Up and Fed Up. By Whiting Williams. Scribner's.

THE title of this book is a stunt title. The contents are obviously propaganda, and the writer is evidently an agitator by profession. Not a Bolshevik by any means. Nevertheless an agitator. His gospel is the gospel of social peace without the elimination of classes. His method is a combination of slumming, graphic description, and journalese philosophy.

Mr. Williams is an adventurous young man. He had a college education in America, and is at least one hundred per cent. American. He dislikes trade unionism, and thanks Heaven Mr. Gompers opposed the formation of a Labour Party in America. One day a great idea struck him. Not an original idea it is true, nor a bad idea if thoroughly applied. He had to discover what the workers were thinking and the kind of lives they lived. To do this he decided to rough it, to don the overalls and to dirty his hands. He did these things. He became a martyr to his cause, suffered hard manual labour, the bugs and fleas of Mrs. Snowden's England, the filth and degradation of our industrial cities, that capitalism might be saved.

Mr. Williams kept a diary, and this diary forms the major portion of the book. In his desire to be realistic he has crammed into it as much of bloody lodging-house factory English as the pages would allow. But it has not helped him or his readers to solve the *Full Up and Fed Up* problem in the least. That problem faces him at the end of the book as at the beginning. The American journalist is still in a dilemma.

I hope that he has made at least one discovery, viz., it does not follow that because a man plunges into the experiences of the working class he will understand the solution to their problems. He may sense the tragedy of it all. He may be filled with disgust, stirred with deep sympathy, enraged at the futile efforts to amend things, or thankful to run away from it all and forget, if that be possible. But it does not provide the solution. It can only run you up and down the gamut of human emotions and give an impetus in one direction or another. That's the most the spectator can ever get out of such experiences.

What, then, of those who actually live the life without the certain knowledge that to-morrow morning they can tumble into the luxury of a first-class hotel? Are *they* moving in the direction of "an intelligent and kindly public opinion"? Or are they being driven to cut loose from the sentimental moorings fastened upon them by long generations of "law and order"? Mr. Williams senses that this is the issue, and exclaims in his concluding chapters: "The situation, surely, is enough

to try men's patience. Yes, and to break it." Then, like the Labour leaders of England and all those who are afraid of elemental things, he tries to escape.

There is no need for the workers to read this book. Most of them can't afford it, anyhow. Those who don't wish to emulate Mr. Williams, to go slumming, or to dirty their hands, may find spicy reading in it. As for the rest, Robert Tressall served us better for the study of working-class psychology, whilst the *Daily Mail* will give us Mr. Williams's philosophy freshly cooked each day. I wonder why Americans ever leave home?
J. M.

SOULS IN STEEP PLACES

The Secret Places of the Heart. By H. G. Wells. Cassell. 7s. 6d. net.

AT the beginning of his books Mr. Wells places a list of his many works, divided into grave and gay, suited both for the Brighton beach and the statesman's closet. But in this he dupes his readers. For the Brighton beachcomber is deceived into reading much sociology when he buys the Wellsian novel, and what is more, the same sociology. His friends are all passionate friends, and they wear their hearts upon their sleeve, secret places and all. Their hearts are full, it is true: but they are full of the Lust of the Flesh and the Pride of Life. Their wits are wool-gathering in some modern Utopia, or making films of a rather thin outline of history. They were once living human beings, and their faces and clothes are still accurate enough as portraits; but now Mr. Equine Man and Miss Porcine Woman whinny and grunt, painfully reciting the law and the prophecies of Dr. Moreau Wells.

So ends the modern novel. The world's great age begins anew, the golden years return bringing with them the dialogues of Plato—say the *Phædrus*—or, rather, the *De Senectute* of Cicero.

Well, then, this Englishman looks at the world. Does he see anything? Does he see that the present organisation of society has entered on a stage of decay? Does he realise that the imperialist war that he supported was the final rupture with the old world that he described so well when he was thirty or when he was forty? Does he, in his perpetual paper-chase after Utopia, perceive the work that has to be done, is being done, or the class (not the persons, however finely tempered) that is doing the work? No, apart from a pettish reproof or two to Bolshevism and also to Profiteering ("rent of ability" excluded?) there is nothing to show that the man is really aware of the world around him. Nor is Wells worse than the others. All the fine writers and noble spirits who charmed so wisely before the war have ceased to see their world, though they keep peering at it and turning round to tell us nothing. They have gone to hell, as the saying is in the market.

"And thither, too, will I go," said Nicolette, "for thither go the lords and ladies and all the fine gentlemen."
R. P. A.

PUBLICATIONS RECEIVED

The Young Industrial Worker. By M. Phillips. H. Milford. 4s. 6d.

Facing Old Age. By A. Epstein. A. A. Knopf, New York. \$3.50.

Little Essays of Love and Virtue. By Havelock Ellis. Black. 6s.

Attacks on Russia during 1921. Hands Off Russia Committee. International Bookshops Ltd. 1s.

- The Riddles of Finance.* By Wm. Leach. International Bookshops Ltd. 1d.
The Story of the Agricultural Club. By Sir Henry Rew. King & Son. 10s. 6d.
The Dre amof Toil. E. Hunter. Reformers' Bookstall. Glasgow. 1s. 6d.
Communist Cartoons. By Espoir and others. Communist Party. 2s.
In Non-Union Mines. The Diary of a Coal Digger. By Powers Hapgood (U.M.W. of A.)
 Bureau of Industrial Research. 50c.
Compulsory Information in Coal. National Research Committee of N.U.M.W. of A.
The A B C of Communism. N. Bukharin and Preobrazhensky. Communist Party. 2s. 6d.
Die Fragen der Arbeiterbewegung in Frankreich. Carl Hoym.
In a Russian Village. By C. R. Buxton. Labour Publishing Co. Ltd. 2s. 6d.
The Battle of the Flags. C. Noel. Labour Publishing Co. Ltd. 3s. 6d.
The Restoration of Agriculture in the Famine Areas of Russia. Labour Publishing Co.
 Ltd. 5s.
The Great Trial of Mahatma Gandhu. Ganesh & Co., Madras. As. 6.

Index of Volume II

January—June, 1922

I.—AUTHORS

	<i>pages</i>
BEER, MAX	Inquiry into Dictatorship 399-404
BUXTON, DOROTHY F.	Credits for Russia 39-52
COLE, G. D. H.	A Word to the Engineers 213-222
ELSBURY, A. B.	Socialists and the Next War 341-348
EVANS, ERNESTINE	Working-class Education in U.S.A. 57-63
EWER, W. N.	Realities of Genoa 392-398
FALCONER, GEORGE N.	The Mexican Workers under Obregon 64-74
GANDHI, M. K.	Britain, India, and Swaraj 311-321
GANNETT, LEWIS S.	American Imperialism in Haiti 332-340
G. H. M.	The Epic of Oil 193-195
GOULD, GERALD	The Philosophy of Violence 158-165
G. S.	Anatole France and Others 195-198
	The French "Black Book" 371-373
HIGGINS, E. M.	The Rise and Fall of Australian Labour 405-412
HORNIMAN, B. G.	Britain and India 232-237
HUTCHINSON, W. H.	The Engineering Lockout 297-310
J. F. H.	"Black" England 97-98
J. M.	An American on British Workers 431
J. T. W. N.	The Diagnosis of Imperialism 279-281
	A German Dictator 191-193
KATAYAMA, SEN	Present Day Japan 251-255
KRASSIN, LEONID	Our Trade Policy 15-28
LANSBURY, G.	Poplar and the Labour Party 383-391
M. B.	The Testament of Engels 366-371
M. H. D.	The Pathology of Imperialism 276-278
M. P. P.	Is Capitalism Recovering? 188-191
	A Posthumous Work of Rosa Luxemburg 94-97
MURPHY, J. T.	The Road to Power 29-38
PAUL, WILLIAM	Force the Midwife of Revolution 166-171
PRICE, M. PHILIPS	Germany After Cannes 133-146
	Real Power Behind the German Govern- ment—I 322-331
	Real Power Behind the German Govern- ment—II 413-421

QUELCH, TOM	Trades Councils	238-250
ROY, EVELYN	The Crisis in Indian Nationalism	146-157
R. P. A.	Souls in Steep Places	432
R. P. D.	British School of Marxism	429
STARR, MARK	Working-class Education in Britain	53-56
TCHITCHERIN, G.	Genoa Conference	223-231
WALLHEAD, R. C.	Vienna on Moscow	129-132
W. H. H.	How American Capital Works	281-283

II.—SUBJECTS

AUSTRALIA	Labour Development	81-83
	Labour Party Programme	405-412
BOOK REVIEWS	94-98 ; 188-198 ; 276-283 ; 366-374 ; 429-433	
BRITAIN	Black Friday	290-291
	Economic Position	203-210
	Engineers' Lockout	213-222 ; 297-310
	General Council	291-292
	Indian Policy	232-237
	Labour Party and Poplar	383-391
	Socialists and War	341-348
	Trades Councils	238-250
	Trade Union Policy	12-14 ; 29-38
	Working-class Education	53-56
CARTOONS	75-78 ; 172-175 ; 259-262	
CZECHO-SLOVAKIA	Trade Union Congress	177
DENMARK	Industrial Crisis	266-267
EGYPT	Socialist Manifesto	267-269
FRANCE	Marseilles Communist Congress	86-89
	Trade Union Conflict	14 ; 83-86 ; 177-179
	Trade Union Split	269-271
GENOA	The Russian Position	223-231
	Realities of the Conference	392-398
GERMANY	Economic Position	133-146
	Leipzig Congress of Independents	179-181
	Metal Workers' Conference	89-91
	Post-War Capital	322-331 ; 413-421
	Railway Strike	271-272
	Workmen's Income Tax	91
HAITI	American Policy	332-340
HUNGARY	Position of Trade Unionism	181-182
INDIA	Crisis in Nationalism	146-157
	Factory Legislation	183

436 *Index, Volume II, January—June, 1922*

		<i>pages</i>
INDIA	Political Review	232-237
	Swaraj	311-321
	Trade Union Congress	92
INTERNATIONAL	Berlin Conference of Three Internationals	424-426
	Frankfurt-on-Main Conference	79-81
	Metal Workers' Congress	265-266
	Mr. Chamberlain on the Origin of the War	256-258
	Seamen's Conference	176-177
	Statistics of I.F.T.U.	81
	Statistics of Third International	80
	Third International Decision on United Front	358-361
	Trade Union Congress at Rome	422-424
	United Front	103-104
	United Front Theses	111-125
	"Vienna" Declaration on United Front	126-132
	West European Socialist Conference	263-265
ITALY	Communist Party Congress	362
	United Front	272
JAPAN	Economic Position	251-255
	Trade Unionism	183
	Workers' Position	184-185
MEXICO	The Workers under Obregon	64-74
NOTES OF THE MONTH	3-14 ; 103-110 ; 203-212 ; 289-296 ;	377-382
RUMANIA	Trade Union Congress	92-93
RUSSIA	Credits	39-52
	Eleventh Communist Congress	426
	Foreign Policy	223-231
	Ninth All-Russian Soviet Congress	186
	Trade Policy	15-28
	Trade Unions and New Economic Policy	349-357
	Trade Union Statistics	185
SOUTH AFRICA	Rand Miners' Strike	186-187 ; 295 ; 363-365
SWITZERLAND	Labour Coercion	273
U.S.A.	American Imperialism	332-340
	Industrial Organisation	274-275
	Miners' Struggle	427
	Workers' Party	273-274
	Working-class Education	57-63
WASHINGTON CONFERENCE		8-10
WORLD OF LABOUR	79-93 ; 176-187 ; 263-275 ; 358-366 ;	422-428

41

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57
58
59
60
61
62
63
64
65
66
67
68
69
70
71
72
73
74
75
76
77
78
79
80
81
82
83
84
85
86
87
88
89
90
91
92
93
94
95
96
97
98
99
100