THE LABOUR MONTHLY

A MAGAZINE OF INTERNATIONAL LABOUR

Vol. 1 15th OCTOBER, 1921 No. 4

THE LABOUR PUBLISHING CO., 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 "Contents," per page, £7 7s.

THE

LABOUR MONTHLY

A Magazine of International Labour

VOLUME 1 OCTOBER, 1921 NUMBER 4

CONTENTS

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

NOTES of the MONTH

The General Council—Disarmament—The Washington Conference—The Allies and the Famine—Dr. Nansen and the Allies—Famines in India—The Crisis in Germany

THE birth of Labour's new General Council in this country has taken place amid scenes of no very sensational enthusiasm. It was born at a Congress which experienced observers of Trades Union Congresses for many years past have described as the most despondent and dispirited they have seen in recent times. Its entry on to the scene was marred by a slight confusion about voting, which gave the Parliamentary Committee another few weeks of life and left the actual inauguration to pass almost unnoticed. The lack of notice is the less surprising, in so far as the difference in personnel between the old Parliamentary Committee and the new General Council is, apart from the increase in numbers, almost negligible. And yet the formation of this new General Staff of Labour will either have to mean the beginning of a new period in the history of Labour in this country; or else it will mean the failure of the last experiment of the old trade unionism to face the conditions of modern capitalism, which are beating and baffling it at every turn. Is the General Council the last stage of the old order or the first stage of the new? That is the question which the coming period will have to decide. Mr. Fred Bramley, Assistant Secretary of the Trades Union Congress, takes a hopeful view. "A workers' combine of this kind," he says, envisaging a future Triple Alliance of Co-operation, Trade Unionism and Labour Politics, "representing somewhere about 12,000,000 adults and 25,000,000 of the population, would make the passing of resolutions of protest against the present economic system as but a foolish pastime. We should so act that capitalism and all its disadvantages would disappear." This optimism is at any rate rare in the present black surroundings of reduced wages, high prices and unemployment. But after all we come back to the solid practical question: how is it going to be done? The creation

of a Central Co-ordinating Council in Eccleston Square, even though it consisted of the most distinguished luminaries in these islands, will not of itself blow up the fortress of capitalism. A plan is needed, and that plan must consist of something more than pious aspirations. A General Staff of Labour only has meaning in so far as it is the expression of a real living unity in action of the workers themselves. How that actual, as opposed to a merely formal, unity is to be achieved is the problem of to-day. As a contribution to this, the central problem of British Labour tactics at the present moment, we print the scheme outlined under the title of a Parliament of Labour for the consideration of our readers.

CURIOUSLY enough, the most prominent debate at the Congress did not concern the General Council at all, but was on disarmament. If this were to be taken as a recognition of the bigger problems facing Labour, it is a good sign. But it is to be feared that the debate smacked too much of the old habit of ignoring immediate and painful questions of internal organisation in order to discuss the world at large. The discussion did not reach one stage further than similar discussions before the war, and therefore the practical menace of war remains as great as ever. There was the same type of general resolution passed in favour of peace, disarmament, and democratic diplomacy; there was the same reluctance to consider practical means to this end; there was the same vague talk of the possibilities of an international strike against war without any decision being reached; there was the same small section presenting the revolutionary anti-war position. Last time this discussion was held, the resolution passed acclaimed President Wilson and demanded Labour representation at the Versailles Conference. This time the resolution acclaims President Harding (his "brave and magnanimous act" as the proposer of the resolution called it) and demands Labour representation at the Washington Conference. Is the parallel an unfair one? If it is not, the omen it suggests is not pleasing. What has happened to the Wilson scheme could be witnessed at the parallel proceedings of the League of Nations Assembly at Geneva. The last example of the pathetic history of the League has been the proposal of a special Committee to

abolish the clause prohibiting secret treaties on the ground of the "dangerous publicity" involved. Already the fickle hopes of the world have turned from the League of Nations to the Washington Conference. Is there any reason to expect a different issue from the Washington Conference? Or must the same process of trustful confidence and sorrowful disillusion be gone through again, until the fiftieth repetition (if the world still survives) begins to engender a doubt whether any conference or association of capitalist governments is likely to make an essential difference to the conditions of capitalism?

AS for the Washington Conference, President Harding (a sufficient authority on the subject) has delivered his opinion. Addressing officers of the Army War College last month, President Harding declared that the hope of entirely abolishing wars was "perfectly futile"; armies and navies would probably always be necessary, no matter how far aspirations towards world peace might lead. This is clearly the opinion of the British and American Governments, not to mention the Japanese. Mr. Lloyd George, in answer to a question in the House of Commons on July 21, stated that, assuming that the Washington Conference would be a complete success, he did not think it would remove the obligation which the Government was under to build ships. And the new United States Secretary of the Navy, Mr. Denby, stated on July 27, that he would proceed with the construction of the war vessels authorised by Congress despite the forthcoming conference on armaments. In view of these statements it is clear that the significance of the Washington Conference is not to be found in disarmament. The real significance of the Washington Conference is more likely to be found in its treatment of the Far East. Armaments may be modified; but that modification will at the best be no more than a temporary suspension of hostilities, so long as the fundamental question of mastery at sea is left untackled. But with regard to China and Japan the Washington Conference may have a very real importance. America is clearly endeavouring to manœuvre Japan out of its "fruits of victory" in China by diplomatic means under the formula of the "open door." Britain is faced with the

awkward problem of choosing between Japan and the United States and endeavouring to reconcile both; and the problem is complicated by the attitude of the colonies. The British attempts to reach a preliminary triangular agreement have so far been coldly received in America. It may be that some temporary agreement over the exploitation of the body of China may be achieved (especially if some British concession to America over Mesopotamian oil-wells is thrown in); but the fundamental divergencies of imperialist rivalry remain to break out again at a later stage. The one thing that is certain is that Labour can play no part in these diplomatic traffickings; and that if it endeavours to play one, its only part will be that of a puppet called in to give to the proceedings a suitable "democratic" atmosphere.

THE severest test of genuine internationalism to-day is the famine in Russia. Over two months ago Mr. Lloyd George declared, with the concurrence of the Supreme Council, that this "was not only a question of Russia, but one concerning the whole world." He announced with his usual rhetorical facility that this was "the most terrible catastrophe that has afflicted Europe or the world for centuries." He professed to see in it a danger to the whole world, such that "there is no doubt at all that this may end in one of the greatest scourges which ever visited Europe—pestilence on a gigantic scale." He dismissed the suggestion of private relief or action through the Red Cross organisations as wholly inadequate to the scale needed. This was two months ago. Since then what has happened? The record makes melancholy reading. The Inter-Allied Commission set up by the Supreme Council met in August and decided, in the face of famine and death, to send—a Commission of Inquiry. The indignant reply of Tchitcherin was strongly worded, but not more strongly than was justified by this "monstrous gesture of mockery at the expense of men dying of hunger." Thereupon the Inter-Allied Commission met again on September 15 (already more than a month after the Supreme Council's decision, and nothing done) and decided with majestic deliberation to call a Conference at Brussels on October 6, to be attended by representatives of twenty-four States. At the very same

time as this decision was reached the League of Nations Assembly, representing twice the number of States, was already in session; and it would have seemed reasonable to put the matter before the League. But in the latter part of September it was announced on behalf of the League of Nations that a sub-committee had come to the conclusion that "in the present circumstances the Governments interested are not in a position to grant credits for famine relief in Russia," and accordingly it would not be desirable for the Assembly to issue an appeal to the various Governments to grant credits. And finally a Special Commission of the Assembly decided by 16 votes to 1 to reject Dr. Nansen's proposals for the relief of famine in Russia. That is the position at the time of writing. America has given practical help under the Hoover agreement. Germany has given help. The philanthropic societies, represented by Dr. Nansen, who concluded an agreement with the Soviet Government on August 27, have done what their limited means can afford. But voluntary aid, as Mr. Lloyd George has truly said, cannot touch the fringe of the calamity. And so far the British Government and the French Government have done nothing to fulfil the offers of assistance that they so grandiloquently made two months ago.

HOW the action of the Allies strikes an observer close at hand may be judged from the impassioned outburst of Dr. Nansen at the League of Nations Assembly. Dr. Nansen's speech deserves to stand as the classic record of the sensations of a man of decent feeling when brought face to face with the realities of the capitalist Governments. The Governments, he declared, had refused to advance money which hardly represented half the cost of building one battleship, while their co-operation would have saved from twenty to thirty million lives. "I do not believe that the people of Europe will sit with folded hands through the long months of winter and watch the millions of Russia starving to death. The crop in Canada this year is so good that Canada will be able to export three times as much as is necessary to meet the difficulty caused by the Russian famine. In the United States wheat is rotting in the farmers' stores because they cannot find purchasers for the surplus.

In the Argentine maize is lying in such abundance that it is being used as fuel in locomotives because that is the only way in which they can use it. Between us and America ships are lying idle; we cannot find employment for them; and on the other side in the East, twenty or thirty million people are starving to death." The smaller Governments were already giving help to relieve the famine. But the larger Governments of the Allied Powers professed to be unable to sacrifice the cost of maintaining half a battalion of troops for one year. They criticised his plan, but they suggested no alternative. And meantime, while they delayed, the few precious moments of opportunity slipped by, and the Russian winter was approaching. "It is a terrible race we are running with the Russian winter, which is already silently and persistently approaching from the north. Soon will the waters of Russia be frozen. Soon will transport be hampered by frozen snow. Shall we allow winter to silence for ever those millions of voices which are crying out to us for help? There is still time but there is not much time left." But the Assembly was not to be moved. The following resolution was proposed by Lord Robert Cecil and carried without opposition: "In view of the statement made to the effect that the Governments do not consider that under the present circumstances they could grant official credits, this Assembly is of opinion that this fact settles for the time being this aspect of the matter, and disengages the possibility of the League's responsibility. It will rest with the Council to take up the question should circumstances demand, and if they believed that intervention could prove useful and effective."

ATTEMPTS have been made to controvert our statements last month which connected the famine with the former counter-revolutionary areas, and adduced the example of famines in India to suggest that famines may occur under other than Bolshevik Governments. It will therefore be of interest to know that both these points have been already made by Mr. Lloyd George. Speaking in the House of Commons in August, he brought forward as his strongest argument for relief the plea that "This is the area that put up the best fight against Bol-

shevism." In other words, Mr. Lloyd George attributes the famine to the former counter-revolutionary areas. And, speaking at the Supreme Council just a few days before, he suggested the introduction of evidence from Lord Curzon on the ground that "Lord Curzon, as Viceroy in India, had had experience in dealing with a famine affecting seventy million people." It will be remembered that the British Government's estimate of the population affected by the famine in Russia was thirty-five millions, and the Russian Government's estimate eighteen to twenty millions. In the face of these figures the suggested parallel with India does not seem wholly outrageous. In fact, it is clear that Mr. Lloyd George, so far from considering famine the natural product of Bolshevism, is rightly of opinion that the British Empire can give points to Russia on the subject, as an expert in famines on a larger scale. In this connection interest attaches to the article we print by an official of the Indian Civil Service on the subject of famine-relief in India. He points out that one of the earliest (and worst) famines that occurred in the beginning of British administration in India was freely attributed in France and other parts of Europe to the exploitation of the country by the British—in exactly the same way as the British press behaves to-day with regard to the famine in Russia; that subsequently serious famines have occurred about once every twenty years, the last coming in 1918-1919; that right up to the beginning of the present century there was no clear-cut scheme for dealing with famines; and that in one case, in 1877, five million people died of starvation. Our contributor writes as an administrator, and not from a Labour or Socialist point of view; but this only adds to the interest of his testimony, which covers in general the position of the peasantry in India and affords a useful survey from the point of view of a critic with administrative experience.

SIGNS are not wanting in Germany that the situation may take a sharp turn this winter. At the Metal Workers' Congress in the middle of September the leader Dissmann stated that he "looked with grave uneasiness into the future. A new wave of unprecedented rising prices and of taxes to pay the Versailles indemnities

was going to sweep over Germany this coming winter." And at the International Textile Workers' Congress the German delegate declared: "Our country is rapidly selling out by reason of the low value of the mark. I hope no other nation in the world will ever have to undergo suffering like ours of the past seven years. The death-rate in industry is appalling, and now, with the increase in bread prices instigated by the Junkers and the growing menace of the militarist elements in the country, we have a new misery added to our present condition." The economic crisis is reflected in the political uncertainties which have developed. The old militarist class, firmly entrenched in Bavaria, has sent out a virtual ultimatum to the Central Government. Once again the unstable deadlock of forces, which is represented by the Republic, is being threatened on either side. This sharpening of the struggle is leading to new groupings. The Majority Socialists have decided to enter into a coalition with the Capitalist parties, including the People's Party, which represents the big industrialists, as "a last attempt to protect Germany from the dangers of civil war." If the Independent Socialists unite with the Majority Socialists, only the Communists will remain outside on the Left and the Monarchists on the Right. The outcome of this new grouping remains to be seen; but it is clear that the winter is bringing to Germany, as to all the world, a period of hardship and struggle. The iron logic of Versailles is working itself out slowly and relentlessly.

THE DICTATORSHIP OF THE PROLETARIAT*

By BERNARD SHAW

THE proletariat is the vast body of persons who have no other means of living except their labor.

A dictatorship is the office of an individual whom the people, made desperate by the absence of government, and unable to govern themselves, have invited or allowed to dictate a political constitution for their country, and control its administration, and who has the necessary will and conscience to use that power from his own point of view, to the complete disfranchisement of every hostile point of view. At present the term is extended from an individual to an oligarchy formed of an energetic minority of political doctrinaires. Where the doctrine is that the point of view must be that of the proletariat, and that the proprietariat (the people who live by owning instead of by working) must be disfranchised, expropriated, and in fact exterminated (by conversion or slaughter), then we call such an oligarchy, or allow it to call itself, the Dictatorship of The Proletariat.

As the proletariat is necessarily always in an overwhelming majority in modern industrial States, and cannot be finally and physically coerced except by itself, nothing can stand long between it and such a dictatorship but its own refusal to support it. The proletariat is not oppressed because its oppressors despise it and mistrust it, but because it despises and mistrusts itself. The proletariat is not robbed by persons whom it regards as thieves, but by persons whom it respects and privileges as specially honorable, and whom it would itself rob with the entire approval of its conscience if their positions were reversed. When it falls on

itself and slaughters itself in heaps, tearing down its own cities, wrecking its own churches, blowing its own children to fragments, or leaving them to starve in millions, it does so, not because diplomatists and generals have any power in themselves to force it to commit such atrocities, but because it thinks it is behaving heroically and patriotically instead of suicidally. It obeys its rulers, and compels malcontents to submit to them, because its conscience is the same as that of its rulers.

As long as this sympathy exists between the proletariat and its rulers, no extension of the franchise will produce any change, much less that aimed at by the so-called Dictatorship of the Proletariat. On the contrary, adult suffrage will make all change impossible. Revolutionary changes are usually the work of autocrats. Peter the Great, personally a frightful blackguard who would have been tortured to death if he had been a peasant or a laborer, was able to make radical changes in the condition of Russia. Cromwell turned the realm of England into a Republican Commonwealth sword in hand after throwing his parliamentary opponents neck and crop into the street, a method copied by Bismarck two centuries later. Richelieu reduced the powerful and turbulent feudal barons of old France to the condition of mere court flunkies without consulting the proletariat. A modern democratic electorate would have swept all three out of power and replaced them by men who, even if they had wanted to, would not have dared to suggest any vital change in the established social order. Napoleon, because his mandate was revolutionary, was much more afraid of the French people than of the armies of the Old Order. There was a good deal of truth in the contention of the early French Syndicalists that aggrieved sections of the people had more power of obtaining redress under the old autocratic form of government, when they could interfere in politics only as a riotous mob, than under modern democratic parliamentary forms, when they interfere only as voters, mostly on the wrong side.

Accordingly, a real dictatorship of the proletariat cannot be advocated as leading necessarily to better results than the present dictatorship of the Proprietariat. It might easily lead to worse. It would almost certainly do so in certain respects at first. It is advocated because certain changes which Socialists desire to bring about cannot be effected whilst the Proprietors, politically called the Capitalists, are predominant, and could not be maintained unless the Proletariat were permanently predominant. Consequently we have on the one hand the fear that the proletariat in power would play the very devil with the whole business of the country and provoke a reaction into oligarchy or Napoleonism, and, on the other, the belief that Capitalism will wreck civilization, as it has often done before, unless it can be forced to give way to Communism.

Fundamentally it is a question of conscience. So long as the average Englishman holds it to be self-evident, not that he has a natural right to life, liberty, and the pursuit of happiness, but that Lord Curzon is a superior being, and Nicolas Lenin a dirty scoundrel and no gentleman—so long as an ordinary British coroner's jury can be depended on to bring in a verdict expressly and gratuitously exonerating the prison authorities from all blame when they admittedly kill a Conscientious Objector by forcing food into his lungs under pretence of feeding him, so long will the political power of the proletariat, whether it come to them as the spoil of a revolution, or be thrown to them by their masters as a move in the parliamentary game, do nothing to change the existing system except by lopping off from it the few safeguards against tyranny won by energetic minorities in the past.

It follows that the task of the advocates of a change-over to Socialism, whether they call themselves Labor leaders, Socialists, Communists, Bolsheviks, or what not, is to create a Socialist conscience. (The task of the Capitalist and Imperialist is much easier: it is simply to trade on a conscience that already exists, and feed it by suitable incitements

administered to children in nursery and school lessons, and to adults in newspapers and speeches.) And when this task is accomplished, there is still the very arduous one of devising a new constitution to carry out the new ethic of the new conscience. For there is all the difference in the world between driving an old locomotive (a Government is essentially a locomotive) and inventing and constructing an aeroplane. And there is the same difference between operating the established Capitalist system, and devising, setting up, and administering the political, legal, and industrial machinery proper to Socialism. Until this is done, no admission of Labor leaders, Socialists, Communists, or Bolshevists into Parliament or even into the Cabinet can establish Socialism or abolish Capitalism. Mr. Henderson and Mr. Clynes may be just as anti-Capitalist as Messrs. Trotsky and Lenin; but they can no more make our political machine produce Socialism than they can make a sewing machine produce fried eggs. It was not made for that purpose; and those who work it, though they may stand out for better wages and treatment for the workers, and perhaps get them, are still working the Capitalist machine, which will not produce anything else but Capitalism. The notion that we have in the British constitution a wonderful contrivance, infinitely adaptable to every variation in the temper of the British people, is a delusion. You might as well say that the feudal system was an exquisite contrivance adaptable to the subtlest *nuances* of the cotton exchange of Manchester.

What, exactly, does making a new constitution mean? It means altering the conditions on which men are permitted to live in society. When the alteration reverses the relation between the governing class and the governed, it is a revolution. Its advocates must therefore, if they succeed, undertake the government of the country under the new conditions, or make way for men who will and can. The new rulers will then be faced with a responsibility from which all humane men recoil with intense repugnance and dread. Not only must they, like all rulers, order the killing of their

fellowcreatures on certain provocations; but they must determine afresh what those provocations are to be. Further, they have to see that in every school a morality shall be inculcated which will reconcile the consciences of their executive officers to the carrying out of such grim orders. That is why reformers cling so desperately to gradual modifications of existing systems rather than face revolutionary changes. It is quite easy to sign a death warrant or order the troops to fire on the mob as part of an old-established routine as to which there is no controversy, and for which the doomster has no personal responsibility. But to take a man and kill him for something a man has never been killed for before: nay, for which he has been honored and idolized before, or to fire on a body of men for exercising rights which have for centuries been regarded as the most sacred guarantees of popular liberty: that is a new departure that calls for iron nerve and fanatical conviction. As a matter of fact it cannot become a permanently established and unquestioned part of public order unless and until the conscience of the people has been so changed that the conduct they formerly admired seems criminal, and the rights they formerly exercised seem monstrous.

There are several points at which Socialism involves this revolutionary change in our constitution; but I need only deal with the fundamental one which would carry all the rest with it. That one is the ruthless extirpation of parasitic idleness. Compulsory labor, with death as the final penalty (as curtly stipulated by St. Paul), is the keystone of Socialism. "If a man will not work, neither shall he eat" is now evasively interpreted as "If a man has no money to buy food with, let him starve." But a Socialist State would make a millionaire work without the slightest regard to his money exactly as our late war tribunals made him fight. To clear our minds on this point, we must get down to the common morality of Socialism, which, like all common moralities, must be founded on a religion: that is, on a common belief binding all men together through their in-

stinctive acceptance of the fundamental dogma that we must at all costs not only keep the world going but increase our power and our knowledge in spite of the demonstration (any Rationalist can make it) that the game, as far as the individual is concerned, is not worth the candle except for its own sake.

What, then, is the common morality of Socialism? Let us begin with the unquestionable facts on which it is based. The moment a child is conceived, it begins to exploit its mother, and indirectly the community which feeds its mother (to exploit people meaning to live parasitically on them). It is absolutely necessary to the existence of the community that this exploitation be not only permitted, but encouraged by making the support of the child as generous as possible. The child is in due time born; after which for several years it has to be fed, clothed, lodged, minded, educated and so forth on credit. Consequently, when the child grows up to productive capacity, it is inevitably in debt for all it has consumed from the moment of its conception; and a Socialist State would present it with the bill accordingly. It would then have not only to support itself by its productive work, but to produce a sinking fund by which its debt would finally be liquidated. But age has its debt as well as youth; and this must be provided for beforehand. The producer must therefore during his working years pay off the debt of his nonage; pay his way as he goes; and provide for his retirement when he is past work, or at whatever earlier age the community may be able to release him.

Now these are not new facts: they are natural necessities, and cannot be changed by Capitalism, Communism, Anarchism or any other ism. What can be changed, and drastically changed, is the common morality of the community concerning them.

The Socialist morality on the subject is quite simple. It regards the man who evades his debt to the community, which is really his debt to Nature, as a sneak thief to be disfranchised, disowned, disbanded, unfrocked, cashiered,

struck off the registers, and, since he cannot, as Shakespear suggested in the case of Parolles, be transported to some island where there were women that had suffered as much shame as he, that he might begin an impudent nation (for Socialists do not desire to begin impudent nations, but to end them) subjected to all the penalties of a criminal and all the disabilities of a bankrupt. Every child in a Socialist State would be taught from its earliest understanding to feel a far deeper horror of a social parasite than anyone can now pretend to feel for the outcasts of the Capitalist system. There would be no concealment of the fact that the parasite inflicts on the community exactly the same injury as the burglar and pickpocket, and that only in a community where the laws were made by parasites for parasites would any form of parasitism be privileged.

Our Capitalist morality is flatly contrary. It does not regard the burden of labor as a debt of honor, but as a disgracefully vulgar necessity which everyone is justified in evading if he can, its ideal of the happy and honorable career being a life freed from all obligation and provided gratuitously with every luxury. In its language, success means success in attaining this condition, and failure a life of labor. This grotesque view is made practicable by the fact that labor is so productive that a laborer can not only pay the debt of his childhood, meet the expenses of his prime, and provide for his old age, but also support other persons in complete unproductiveness. If nine men combine to do this, they can support a tenth in outrageous waste and extravagance; and the more poorly the nine live, short of disabling themselves as producers, the richer the tenth man will be. All slave systems are founded on this fact, and have for their object the compulsion of nine-tenths of the population to maintain the "upper ten" by producing as much as possible, and allowing themselves to be despoiled of everything they produce over and above what is needed to support and reproduce themselves on the cheapest scale compatible with their efficiency.

The two moralities have only to be plainly stated to make it clear that a change from one to the other must be revolutionary. The Capitalist system admits of so much apparent progress that superficial thinkers easily persuade themselves that it will finally progress into Socialism; but it can never do so without making a complete *volte face*. Slavery is always improving itself as a system. It begins by working its slaves to premature death. Then it finds out that badly treated slaves do not, except when they are so plentiful that they can be replaced very cheaply, produce so much booty for their masters as well-treated ones. Accordingly, much humanitarian progress is effected. Later, when modern industrial methods of exploitation are discovered and developed competitively, it is found that continuous employment under the same master cannot be provided for the slave. When this point is reached the master wants to be free to get rid of the slave when he has no work for him to do, and to pick him up again when trade revives, besides having no responsibility for him when he is old and not worth employing. Immediately a fervent enthusiasm for liberty pervades the Capitalist State; and after an agitation consecrated by the loftiest strains of poetry and the most splendid eloquence of rhetoric, the slave is set free to hire himself out to anyone who wants him; to starve when nobody wants him; to die in the workhouse; and to be told it is all his own fault. When it is presently discovered that this triumph of progress has been, in fact, a retrogression, the Progressive reformers are again set to work to mitigate its worst effects by Factory Acts, Old Age Pensions, Insurance against Unemployment ("ninepence for fourpence"), Wages Boards, Whitley Councils, and what not, all producing the impression that "we live in a progressive age." But this progress is only allowed whilst the workers are gaining in efficiency as slaves, and their masters consequently gaining in riches as exploiters.

A further comparison of the two moralities will shew that whereas the Socialist morality is fit for publication, the Capitalist morality is so questionable that every possible

device has to be employed to reconcile the workers to it by disguising its real nature. As a reasoned system it has never been tolerated by public opinion. Although it has been set forth with perfect frankness by a succession of able political economists and professors of jurisprudence, notably (in point of uncompromising lucidity) by De Quincey and Austin, and justified as on the whole the best system human nature is capable of, the only effect has been to make "political economy," as the demonstration was called, abhorred. The Capitalist system has not been preserved by its merits as an economic system, but by a systematic glorification and idolization of the rich, and a vilification and debasement of the poor. Yet as it gives to every poor man a gambling chance, at odds of a million to one or thereabouts, of becoming a rich one (as Napoleon said, the careers are open to the talents, and every soldier has a field marshal's baton in his knapsack), no one is condemned by it to utter despair. In England especially, where the system of primogeniture, and the descent of the younger son into the commonalty with a family standard of expenditure so far beyond his income that his progeny follow him rapidly into chronic pecuniary embarrassment and finally into wretched poverty, a sense of belonging to the privileged class is to be found in all ranks; and a docker who does not regard himself as a gentleman under a cloud rather than as one of the proletariat is likely to be a man with too little self-respect to be of any use as a revolutionary recruit. Ferocious laws are made against those who steal in any but the legalized Capitalist way; so that though a woman may have the produce of sixteen hours of her work sold for ten shillings and receive only a shilling of it, and no man may buy anything without paying in addition to its cost of production a tribute for the landlord and capitalist, yet any attempt on the part of the proletarian to perform an operation of the same character on a proprietor is suppressed by the prison, the lash, the rifle, the gallows, and the whole moral armory of ostracism and loss of reputation and employment.

But it is not by its hypocrisies and its coercions, potent as these are, that Capitalism retains its main grip on the proletariat. After all, few of the hypocrisies impose on those who do not wish to be imposed on by them; and the coercions are applied by the proletarians themselves. The really effective lure is the defiance of Nature in the name of liberty: the apparent freedom to be idle. It is useless to demonstrate that no such freedom is possible for all: that if Adolphus survives in idleness, Bill and Jack and the rest must be doing his share and having their liberty correspondingly curtailed. What does that matter to Adolphus? And who does not hope to be Adolphus, if only for a day or a week occasionally? The moment Socialism comes to the point and hints at compulsory industrial and civil service for all, the difference between Dean Inge and the Labor Party vanishes: they will stand anything, even Capitalism at its worst, rather than give up the right to down tools and amuse themselves at any moment. Thus their devotion to liberty keeps them in slavery; and after the most formidable combinations to better their condition they go back to defeat and drudgery under the unofficial but irresistible compulsion of starvation.

There is ghastly comedy in the fact that this right to idle which keeps the proletarians enslaved is cherished by them, not only as a privilege, but actually as a weapon. They call it the right to strike, and do not perceive that it is only a form of the right to commit suicide or to starve on their enemy's doorstep. This folly reaches its climax in the panacea of the general strike, the only sort of strike that could not possibly succeed even temporarily, because just in proportion to its completeness would be the suddenness and ignominy of its collapse. The ideal strike is a lightning strike of the waiters in a fashionable restaurant, hurting nobody but the enemy, and putting him for the moment in a corner from which he will extricate himself by any reasonable sacrifice. A general strike is a general suicide. A Napoleon who proposed to take his commissariat out of the kitchens

and throw them into the trenches would be sent to a lunatic asylum. But the French General Confederation of Labor, though torn by dissensions between Communists, Syndicalists, Trade Unionists and heaven knows what other Ists, is solid in adhesion to an idiotic welter of phrases called the Charter of Amiens, out of which nothing intelligible emerges except the proclamation that the salvation of labor is to be achieved by the general strike.

A Socialist State would not tolerate such an attack on the community as a strike for a moment. If a Trade Union attempted such a thing, the old Capitalist law against Trade Unions as conspiracies would be re-enacted within twenty-four hours and put ruthlessly into execution. Such a monstrosity as the recent coal strike, during which the coal-miners spent all their savings in damaging their neighbors and wrecking the national industries, would be impossible under Socialism. It was miserably defeated, as it deserved to be. But if it had been conducted from the Socialist point of view instead of from the Trade Union point of view (which is essentially a commercial point of view) the strike might have been worth while. In that case, the leaders of Labor in Parliament would simply have challenged the Government to stop the strike by introducing compulsory service, and promised to vote for it themselves. This would have at once put them right with public opinion, and effected an epoch-making advance in Labor policy. And it would have put the Government into a very difficult position. All the Coalitionists of the extreme right, understanding their own Capitalism as little as they understand Socialism, and having no other idea but to smash these damned Trade Unions and bring the working class to heel, would have rallied to the proposal with enthusiasm. But the Government would have seen, or would soon have been shewn, that if the right to strike—that is, the right to be idle—were abolished, the Capitalist system would go with it. It is one thing to take a coalminer by the scruff of the neck and thrust him down a mine with an intimation that if he does not

hew his regulation number of tons in the week he will be handled as the conscientious objectors were handled during the war. It is quite another to lay violent hands on the Honourable Reginald Highcastle and his friend Tommy Briggs, the son of the Bradford wool millionaire, and yank them out of their hotel in Monte Carlo or their flat in St. James's in the same uncompromising manner, with no ladies to taunt them into consenting to the operation by presenting them with white feathers and calling them slackers. To exempt Reggie and Tommy, even if any satisfactory line could be drawn between them and their fellow creatures, would be a revolution of the proprietary classes against free contract and a return to open slavery. To conscribe them would be to attempt to carry on the Capitalist system without the lure that has hitherto persuaded its victims to tolerate it, and with its boasted Incentive to Labor sidetracked. In such a dilemma the Government, instead of encouraging the owners to fight, would probably have told them that they must settle with the men at any cost.

The opportunity was lost, and lost solely because Trade Unionism, instead of leading to the solution of the problem, led nowhere. As the leaders were either not willing to face compulsory service or were convinced that their followers would desert them at once if they hinted at such a thing, they had nothing to say except that the men objected to have their wages reduced. The coalowners replied that they could not and would not pay the same wages as before; and as the owners were in a position to starve the miners into submission, they did so, leaving Labor in a condition of humiliation and servitude, and Labor policy in a condition of exposed futility which has given Capitalism all the courage of success without giving Labor any of the courage of despair.

Labor won its way into Parliament as an independent party fifteen years ago; and its leaders made their way into the Cabinet. And this is the result. The Anarchists and Syndicalists smile, and say "We told you so." But they

take care to add that however disillusioned they may be with Parliament and Government and Thrones and Churches and all the other superstitions of the bourgeoisie, they remain unalterably devoted to the Charter of Amiens and the general strike. Is it to be wondered at that prosaic men cry "A plague on your rights and lefts, your Reds and Whites and Pale Pinks, your first and second and third Internationals, your phrases that only differ from Lloyd George's in being translated from foreign languages: we shall vote for the Anti-Waste candidate, whom we can at least understand, and who has not sold us yet"?

There is nothing more to be said at present. There is nothing more to be done until Labor recognizes that there can be no life until the task imposed by Nature is performed, and no freedom until the burden of that task is impartially distributed and sternly enforced. The debt to Nature must cease to be regarded as a commercial debt which one man can accept for another like a bill of exchange. It is a personal debt which must be defrayed by the individual who has incurred it. If he says "My grandfather worked for six," the reply must be "Then go one better than your grandfather, and work for seven. In that way the world will be the better for your having lived, as it is for your grandfather having lived; and you shall not undo the good he did by wasting it in idleness." And as to the man who should say "My grandfather owned for a thousand," it is difficult to say what could be done with so hopeless a fool except to lead him to the nearest wall and ask him to look carefully down the barrels of half-a-dozen levelled rifles and consider whether he seriously proposed to follow his grandfather's example. At all events that is something like what will happen to him if the so-called Dictatorship of the Proletariat ever becomes an accomplished fact here as it is in Russia.

With compulsory social service imposed on every one, the resistance to the other measures involved with Socialism would not only become pointless but injurious to the resisters.

Just as a poor landlord is a bad landlord, and a poor employer the worst of employers, an embarrassed, imperfect, poorly financed, struggling Socialist State would make things far less pleasant for its members than a powerful and prosperous one. At present the position of a rich proprietor is by no means free from care: his servants, his houses, his investments, his tenants all worry him a good deal; but he puts up with it, partly because he can no more help his riches than a poor man can help his poverty, but largely, of course, because he has luxury and attendance and sports and fashionable society, and can, up to a certain point, do what he likes, even if what he likes is doing nothing. But if his servants were conscribed for social service, and himself with them, of what use to him would his title deeds and his share certificates be? The possibility of keeping a big establishment vanishes with the servants; and even if the State employed him to manage his own estate, as it probably would if he had managed it capably before and not handed it over to bailiffs, stewards, agents and solicitors, he would be no better off as its legal owner than as a Commissioner of Woods and Forests or any other state official of the managing grade. It would not be worth his while to offer a moment's resistance to the transfer of his property rights to the State: on the contrary, as the richer the State was the larger would be the income to be distributed to its members, and the shorter that part of his life compulsorily devoted to its service, he would regard individual property rights as an attempt to fix on him responsibilities and duties from which his fellow-workers were happily exempt, without any equivalent advantage. Under such circumstances men would cling to and covet title, rank, renown, and any sort of immaterial distinction, as well as cherished personal possessions; but they certainly would not cling to property; and as the Socialist State would be liberal in the matter of moral distinctions and the glorification of good citizenship, and would enable its citizens to multiply choice personal possessions, their ambition and acquisitiveness would have ample satisfaction. There would still be a

privilege for gentility. A man overpaying his debt to Nature, and thereby making his country better by every hour of his activity, would be distinguished as a gentleman, being thus exactly the opposite of the so-called gentleman of Capitalism, who leaves his country poorer than he found it, and is proud of the depredation.

Such a change as this, however little its full scope may be understood at first, is far too revolutionary to make itself effective by a simple majority of votes in a Parliamentary division under normal circumstances. The civil service would not administer it in good faith; the tribunals would not enforce it; the citizens would not obey it in the present state of the public conscience. The press would strain all its powers of comminatory rhetoric to make it infamous. Therefore, if circumstances remain normal, several years of explicit propaganda will be necessary to create even a nuclear social conscience in its favor; and the first step must be to convert the leaders of Labor and the official Socialists themselves. Trade Unionism must be turned inside out, and must deny, instead of affirming, that right to idle and slack and ca' canny, which makes the social parasitism of the proprietariat legal. The "weapon of the strike" must be discarded as the charter of the idle rich, who are on permanent strike, and are the real Weary Willies and able-bodied paupers of our society. The Marxists must cease their intolerable swallowings and regurgitations of Marxian phrases which they do not understand (not having read Marx), and cease boring and disgusting the public with orations at pompously quarrelsome Congresses ending in Amiens Charters calling for that quintessence of anti-Socialism the general strike. If they have nothing better than that to recommend, they had better go home to bed, where they will bore and mislead nobody but themselves. They must at last begin to tell the public precisely what Socialism means in practice.

But the circumstances may not remain normal. The proprietary class, when it sees that the normal course of events

is leading to the abolition of property, can and will produce abnormal conditions favorable to itself by Catherine the Second's expedient of a little war to amuse the people. The Labor movement may itself upset the apple cart by further attempts at a general strike by Triple Alliances and the like. It is important to remember that it was in Russia, the most backward first class Power in Europe, that the ground was cleared for Communism, not by the Communists, but by the Imperialists, who, in mere thriftless ignorance and incompetence, ditched their car, and left themselves at the mercy of an energetic section of Realist Communists, who no sooner took the country in hand than they were led by the irresistible logic of facts and of real responsibility, to compulsory social service on pain of death as the first condition not merely of Communism, but of bare survival. They shot men not only for shirking and slacking, but for drinking at their work. Now it is clear that in point of ignorance, incompetence, social myopia, class prejudice, and everything that can disqualify statesmen and wreck their countries, the sort of people who can get returned to Parliament at khaki elections in the west of Europe and in the United States of America can hold their own with anybody the Tsardom ever put into power in Russia. Capitalism is much stronger in the west than in Russia, where it was relatively undeveloped; but though it had not reached its climax there and was in its infancy, it has passed its climax here, and is getting unsteady on its feet of clay. It also may ditch its car, and leave the most capable realists to save the situation.

In that case, we may have the Dictatorship of the Proletariat in the sense in which the phrase is being used by the Russian Communist statesmen. To them dictatorship means overriding democracy. For example, though there are elected Soviets everywhere in Russia, and it sometimes happens that on some vital question the voting is 20 for the Government and 22 against it (the opposition consisting of Social Revolutionaries, Mensheviks, Syndicalists and other persons quite as abhorrent to the *Morning Post* as the

reigning Communists), the Government does not thereupon say "Your will be done: the voice of the majority is the voice of God". It very promptly dissolves that Soviet, and intimates to its constituents that until they elect a preponderantly Bolshevik Soviet they shall have no Soviet at all. It may even treat the majority as rebels. The British democrat is scandalized by this; and even those who are too cynical or indifferent to be scandalized say "What is the use of having a Soviet at all under such conditions?" But the rulers of Russia reply that the use of it is that they know where they are. They find out from it how public opinion is tending, and what districts are backward and need to be educated. The British democrat, dazed, asks whether it is cricket to exclude the Opposition from the governing bodies. The Russian Statesmen reply that they are fighting a class war, and that during a war an Opposition is the enemy. They are asked further whether they have any right to impose new institutions on their country until they have persuaded a majority of the inhabitants to demand it. They reply that if no political measure had ever been passed until the majority of the inhabitants understood it and demanded it, no political measure would ever have been passed at all. They add that any party, however revolutionary in theory, which refuses in a highminded manner to take any action until it is supported by a constitutional majority, is clearly led by *fainéants* (not to say cowards and incapables) who are making their democratic principles an excuse for keeping out of trouble.

Now I am not here concerned to refute or justify these retorts. I simply point out that they have been made, and always will be made, by Governments when they are accused of acting without democratic constitutional mandates, or of excluding from the franchise persons and classes on whose support they cannot rely. If what is quite incorrectly called the class struggle (for a large section of the proletariat is as parasitic as its propertied employers, and will vote and fight for them) is brought to a head in England by the mismanage-

ment of the Government or by some catastrophe beyond its control, let no one imagine that either side will have any more regard for democracy than the Russian Communists, the Irish Republican Army, the British occupation of Egypt, Dublin Castle, or any Government in time of war. The democrats, as in Europe, will be inert: they will hold meetings and denounce both combatants as tyrants and murderers; and both sides will imprison or kill them when they are too troublesome to be ignored. They will have to console themselves as best they may by the reflection that in the long run no Government can stand without a certain minimum of public approval, were it only a melancholy admission that all the available alternatives are worse.

It must not be supposed that Capitalism has any more advocates than Communism if an advocate means one who understands his case. People are accustomed to it: that is all; and so it has plenty of adherents. When Capitalism is forgotten, and people have become accustomed to Communism, it, too, will have plenty of adherents. Meanwhile, the groups who do understand, and who desire the change with sufficient intensity to devote themselves to its accomplishment, will do what such men have always done: that is, strive for power to impose the realization of their desire on the world. But their craving will include a need for sympathy and countenance: there is little satisfaction in imposing what you conceive to be a millennial boon on the reluctant body of a neighbor who loathes you and your detested Communism. Until you can impose it on his soul by persuading him to desire it as ardently as you do yourself, you are not only not happy, but not secure. That is why the Russian Communists are insistent in their propaganda and inculcation of Communism, although the military forces and civil persecution which they employ against the counter-revolution are objectively undistinguishable from the forcible imposition of Communism on the bodies of their subjects, whether their subjects like it or not. Just as the English officer will tell you that if England gave back India

to the Indians India would instantly be devastated by civil wars ending in chaos, so the Red officers of Russia will tell you that if Russia were abandoned by the Bolsheviks to the hardfisted doers of the counter-revolution and the futile doctrinaire phrasemongers of the Constitutional Democrats, she would relapse into the Tsarism (so deeply regretted by the Grand Duchesses and Princesses in Constantinople and London), under which women spent years in dungeons for teaching children to read (lest they should read Marx), laborers lived in cellars and earned one pound four a month, and the dear princesses could hire a droschky to take them to the Opera for fourpence. They can drive their lesson home by pointing to counter-revolutionary Vladivostock in the far east, and to the great republic of Capitalist freedom in the far west, both of them sentencing girls of eighteen to fifteen years' imprisonment for distributing leaflets uncomplimentary to Capitalism. I do not here pass judgment either on the White British officer or on the Red Russian officer: I merely say that when the so-called class war comes to blows in England (and I am afraid our proprietary Whites will not give in without a fight even if the Labor Party in Parliament comes in 600 strong) the Whites and the Reds will argue in exactly the same way; and the muddled man in the street, without knowledge or conviction either way, will cast his reactionary ballot in vain.

However, the Capitalists may very well take heart for the present. They have on their side the colossal inertia of established institutions; and the souls of the children in the schools are in their hands. They have the *soi-disant* brain workers on their side: has not Trotsky, when foolishly reproached for employing them handsomely (as if Communism meant organizing industry without brains or training), replied "Yes; but we had to give them a good hiding first." Even our university engineers, receiving less than the wage of a common fitter, dread the Communism that would raise their incomes to the level of a common fitter's. This straightforward exposition of mine, which might be

dangerous (except that it would be superfluous) if men were politically intelligent and the working classes had not been commercialized to the bone by two centuries of wage slavery, will drop into the sea of Labor politics as a pebble drops into the sea when a boy throws it from the cliff. Labor leaders will still brandish the weapon of the strike: indeed already the Trade Unions, having found the Triple Alliance a failure, are organizing alliances of still higher numerical powers, so as to achieve the nearest possible approximation to the General Strike and make failure quite certain. Many of them believe that the Triple Alliance might have succeeded if its organizers had dared to fire the gun they had so carefully loaded. A word in favor of Compulsory service, or of any compulsion except the compulsion of starvation and the miserable eyes of hungry children, would send any Labor leader back to the bench or down the mine, a cashiered and never-to-be-pardoned traitor to freedom. Our rulers do not sing "Curzon's at the Foreign Office; and there's lots of money for somebody in the coming war with America for the command of the seas"; but that is what they mean when they sing, as they occasionally do, "God's in his heaven: all's right with the world." Perhaps it is. It may be that the reason our civilizations always break down and send us back to the fields is that we were never meant to be civilized animals, and that the collapses of empires are not catastrophes but triumphs of sanity, blessed awakenings from fevered dreams. If so, it looks as if we were in for another triumph presently; and then we—or at any rate, the handful of survivors—will enjoy a respite from both Capitalism and Communism until the fever breaks out again. But personally I am no Arcadian; and I should very much like to see Communism tried for awhile before we give up civilization as a purely pathological phenomenon. At any rate, it can hardly produce worse results than Capitalism.

G. B. S.

Peebles, 10th August, 1921.

THE FAMINE IN RUSSIA AND THE CAPITALIST WORLD

By KARL RADEK

A GREAT misfortune descended upon the Russian people just at the moment when, having conquered the armies of the counter-revolution and the blockade having been raised, they were preparing to build up anew their shattered economic organisation. The famine that has overtaken the Volga districts, from which a third of the revolutionary supplies were drawn, is the result of a natural phenomenon, of drought. Superstitious peasants credit the Almighty with the drought. The more enlightened capitalist journals of the West make the Bolsheviks responsible. Well, well, both of them are certainly wrong. But if the accusations against the Bolsheviks are taken to mean that the civil war and the revolution have ruined Russia economically—thus making it still more difficult to overcome the effects of the drought—they simply restate the platitude that all war destroys economic life. Only the statement must be supplemented. For in the first place the revolution was the outcome of that glorious imperialist world-war as to whose origins one may differ without disputing on one point: namely, that the Soviet Government was not among the guilty, if for no other reason than because it was non-existent at the time of the outbreak of war. And as for the civil war, its causes are well known. In November, 1917, when Russia was incapable of further fighting and unwilling to shed more blood in the interests of the London, Washington and Paris Exchanges, the majority of the people, a majority such as had never in the annals of history stood

behind any Government, trampled Kerensky's Government underfoot like a rotten mushroom growth and formed a Government of their own, a Government of peasants and workers. Then the former governing classes would not allow, Entente capital would not allow, German capital would not allow—this Government of workers and peasants to give to Russia peace and bread. The powers of world capitalism and the Russian bourgeoisie brought down on Russia civil war. They waged this war in a manner calculated primarily to encompass the complete ruin of economic life, the annihilation of the means of communication.

Hunger, represented now by the Allies as the outcome of Bolshevik economic organisation, was from the first selected by them as their nearest and dearest ally. "The bony hand of hunger will bring them to their senses," the saying coined in the summer of 1917, was first uttered by the Moscow textile magnate Ryabushinsky. And in order that the talons of that hand might with all speed clutch the Russian people by the throat, the French Ambassador Noulens organised the revolt of the Ukraine Rada that was to deprive Soviet Russia of Ukrainian bread, he organised the revolt of the Czecho-Slovaks that they might deprive Soviet Russia of Siberian grain, and he tried in August, 1918, to blow up the bridges near Petrograd and thus to paralyse that strongly-beating heart of the Revolution. And the representatives of His Majesty the English King and of English capital, Messrs. Lockhart and Messrs. Lindley, gave their Government the advice, "Treat them as pariahs." And the humane English Government, which even clothes the nakedness of the savage in Manchester cotton, and has waged wars simply that the Chinese might enjoy the pleasures of opium, that Government inflicted the blockade upon Soviet Russia, the economic coup de grâce. Whilst Denikin's cannons were laying waste the coal basin of the Donetz, while English troops laid waste the petroleum centre of Baku, while Koltchak laid waste the iron industry of the Urals—supported by Mr. Leslie Urquhart, whose own fac-

tories suffered in no small measure, and who now makes the Soviet Government responsible—the blockaded Soviet Government had to devote all their means to equipping and maintaining the Red Army that was fighting the White forces armed by the Entente. The whole industry of the country was set aside for the production of arms and other munitions. But the Soviet Government made the mistake —so their stern judges maintain—of forgetting the doctrines of Adam Smith and taking the corn from the peasants without delivering industrial products in return, thus sweeping away the spur to intensified economic activity. But even were the Russian Soviet Government to hold in honour the doctrines not only of Adam Smith but of all the other saints of the City, a hundred times more than do the wiseacres of Versailles, who believe they can sell goods to a plundered world, yet would these doctrines be of no avail in view of the simple fact that Soviet Russia, confined within the borders of Central Russia, was forced to equip and maintain an army of millions in an economically ruined country. "We have exhausted the country so that we might be able to conquer the Whites." So said Trotsky at the ninth Congress of the Russian Communist Party in March, 1920. And he told the naked truth. We were not able to spare the lives of hundreds of thousands of workers and millions of peasants if we meant to save Russia from the return of White exploiters and plunderers. Much less could we hesitate at the prospect of the economic ruin, which was the price of victory. If the capitalist Press maintains that want in Russia is the result of our policy, we reply: It is the result of *your* policy, of the intervention organised by *you*, of the civil war supported by *you* until to-day. The result of *our* policy is that, in spite of our ruin, we stand an independent State and not a colony, and force you to fear our misery.

As soon as Soviet Russia had conquered the Whites, the question of economic reconstruction took the first place. The path entered upon for this purpose in the spring of 1921 is the best proof that in spite of all victories we have kept

a cool head, that we have understood that the military Socialist measures which made victory possible could form no basis of economic reconstruction in a country of small bourgeoisie. By abolishing the system of requisitions, by introducing the tax in kind, by introducing free trade in agricultural surplus products, by attempting to attract capital into branches of industry that we ourselves were unable to build up, we adopted the only possible course that would steer the land from ruin. The economic programme of the Soviet Government during the war was to concentrate every force needed for the victorious blow against the counter-revolution. This could only be achieved by the utmost centralisation in the hands of the State of everything essential to carrying on the war. Their reconstruction programme is to develop all independent forces in the country in order that these may support the State in strengthening its own foundation, which is large-scale industry. For only thus can they defend the interests of the proletariat against the peasants, and those of all Russia against world capitalism. Our economic programme is no Communist programme, but it is one that affords the only possible step towards Communism in Russia. That, at the same time, it is the only possible policy corresponding with the interests of the mass of the people (workers as well as peasants) is evident from the fact that our opponents who at least verbally take into account the interests of the masses, are unable to present an alternative programme. Of course, the dispossessed landowners and capitalists have another programme, and it runs: Give us back our land and our factories. But even the Socialist Revolutionaries, who must reckon with the peasants, understand that such a programme involves the increasing misery of the masses and the perpetuation of civil war. And Tchernov's draft programme corresponds in principle with the present policy of the Soviet Government—with the slight difference, that the Socialist Revolutionaries, with their usual weakness and lack of character, confine their programme to paper, and would welcome with open arms the realisation of

the vulture policy of the junkers and manufacturers. The Soviet Government evolved the necessary measures to ensure military victory over the Whites, and they evolved also the necessary measures for the economic reconstruction of the country. But during the transition period, when the new policy of the Government was finding expression in concrete proposals, and before that policy was in a position to heal the wounds inflicted on the country by the policy of Tsarism, the policy of Kerensky and the policy of Entente intervention, there came the great drought. It threatens twenty million human beings with extreme want, if not with death. For the economically weakened country is not able to give them adequate relief. The Soviet Government have not concealed this circumstance. They have made it known to the whole world with brutal clearness, and they have learnt what the world has had to say. The Russian people has also learnt, and the Russian people will not forget.

II

The fight of the capitalist world against Soviet Russia was no comedy of errors. It was an attempt to throttle the State which, built up on the interests of the classes that had hitherto been oppressed in this so-called civilised world, had made a breach in the capitalistic system of world States. The fact that this State was overtaken by a famine catastrophe could not, of course, convert the enmity against it into brotherly love, the brotherly love that has been found so wanting, even among the High Allied Powers, who haggle and quarrel over the booty of war like Whitechapel Jews. We know that Brutus was an honourable man, and that all the others, Mr. Lloyd George and Mr. Harding and all, are honourable, Christian and humane people in their private lives. With the softened feelings that their speeches arouse in us we are even prepared to assume that M. Briand is an honourable man, although many of his friends hold a different view. But the policy of their Governments towards Soviet Russia is the continuation of the former policy and

former fighting against Soviet Russia. The differences of the attitude of the Great Powers towards the Russian famine are merely the result of the differences in the methods of fighting they have adopted after the defeat of military intervention.

After the defeat of Wrangel, the last of the rulers of Russia appointed by him, M. Briand is not quite clear how to deal with the hard case Russia has proved to be. At first, like Shylock, he shrieked for his pound of flesh, not a jot less. And he demanded the recognition of the debts of the late Tsarist and Kerensky governments, his eye all the while on Pertinax flourishing his tomahawk and M. Poincaré leading the wild Red Indian dance round the flames, at which Russia, gagged and conquered, alone was missing. But at the same time his eye was on his dear English brothers across the Channel, who, in spite of their faith to their French Ally, had entered into a trade agreement with Russia. When, with the supreme impartiality that characterises them where the gold that is to flow into English pockets is concerned, the English Courts declared the gold of the Soviet Government to be good gold, even fierce Poincaré said to himself: "Our gold is flowing into the pockets of our beloved English cousin, who anyhow is no poorer than we; why should we be more stupid than these toll-gatherers?" And with the Holy Ghost of perception thus rising even into the vacuum that calls itself the head of Poincaré, Briand began to waver. In this situation he received the news of the famine in Russia. He forced back the tears so laboriously produced and said, "the end is near." He demanded of Germany the transit of troops to Upper Silesia. Further, no one was to fancy there was only a question of "acquiring" Silesian coal through Poland, who would share the black diamonds with French capital as faithfully as even now she shares the liquid fuel of Borislav. So a statement was made by the *Times* (July 22), the finest mouthpiece of Briand's mind, that he was not to be interfered with, for the matter was not simply one of a petty Upper Silesian robbery, but of preparing greater exploits

against Soviet Russia. M. Briand sent at the same time money and arms to Rumania so as to enable the last of the Hohenzollerns to work for the spreading of the ideas of the French Republic in the Ukraine. Should this result in the destruction of the harvest, that was to be one of the most important sources of supply of starving Russia, M. Briand comforted himself with the thought that the end of the Soviet Government would also be that of the famine. Let the ground of Russia once again be ploughed with French shrapnel, and it will bear fruit to overflowing. Then M. Kerensky stepped in, whom M. Briand esteems a great statesman, having forgotten how well he prepared during eight months for the victory of the Bolsheviks; M. Kerensky warned Briand against too open-hearted a manner. Blows below the belt do not win the hearts of the hungry, and M. Kerensky is convinced that the bayonets of counter-revolution should be backed by the sympathy of the people. So M. Briand declared his great sympathy for suffering Soviet Russia, and without for a moment interrupting his preparations in Poland, Rumania and Finland for intervention, he announced in the tragic manner so beloved on the French stage since the days of Corneille and Racine, the coming relief of suffering Russia. But M. Briand, although he has a very good voice, is no artist. He forgot his past. The French representatives he appointed for the relief of the Russian people were Noulens, the stupid and brutal organiser of counter-revolutionary plots in Russia, the monarchist General Pau, and that fine manufacturer, Girand, so well known in Moscow as the reckless exploiter of women, whom he thought to compensate for their low wages by religious rites in the factory. The diplomatic poisoner, the counter-revolutionary general, the clerical sweater—what better helpers in their need could be found to tell the Russian people the truth as to the intentions of the French Government? That truth is that French imperialism, the chief pillar of intervention and the father of the Russian famine, is preparing to exploit the famine for the purpose

of fresh intervention. The reply of the Russian Soviet Republic is: "We shall be on our guard."

III

Since the defeat of Denikin England has realised the hopelessness of military intervention, and after a year of wavering has concluded the trade agreement with us. Mr. Lloyd George was so kind as to state openly that this was only another form of war aiming at the replacement of the Soviet Government by one that will forget that it has sprung from the people, at least as quickly as Mr. Lloyd George, who, the son of obscure Welsh parents, now supports the Welsh coal magnates against the miners. Mr. Lloyd George is no admirer of the Soviet Government, as he recently declared in the Supreme Council of the Allies, whose councils are so seldom consistent and so seldom wise. However, neither antipathies nor humanitarian sentiments control the policy of this clever though not far-sighted statesman. He knows very well that if the hated Soviet Government were to disappear, Russia would get another Government, or more than one, that would in no way improve the situation from the English point of view. The Russian Junkers and the Tsarist generals who foregather in Reichenhall in fair Bavaria will then unite with the Junkers and White generals of Germany in order to set up Governments in Germany and Russia after their own hearts. Mr. Trebitsch Lincoln is without doubt a great scoundrel, but the kernel of his revelations as to the activities of Colonel Bauer, Ludendorff's political chief of staff, in connection with the Russian general Biskupski in Budapest, are in accordance with the truth. On the other hand, the Wrangels and Struves, the Nabokoffs and Hessens, the Ryabushinskys and Kokovsovs, are no less allied with France than Kerensky and Company. None of the counter-revolutionary cliques has cause to love England, who has concluded an agreement with Soviet Russia. But quite apart from that, the lines of policy of any counter-revolutionary Russian Govern-

ment would conflict sharply with those of England. Not only would any such Government find it essential to increase its prestige at home by attempting external expansion along the line of least resistance, namely, towards Central Asia, but all the White cliques that might establish themselves as a Russian Government would raise the questions that are supposed to have been settled by the Treaty of Versailles and subsequent peace treaties. They would do so simply on the grounds that Russia was not present at the conclusion of these treaties, and because they would be anxious to profit from the intensification of the differences between the Allies. Any diplomatic revision of the Treaty of Versailles would be to the disadvantage of England. For England has demobilised her army, Germany is in effect disarmed, and only France and her vassals have at their disposal large land armies in Central Europe. Mr. Lloyd George is as aware of all this as we are, and we therefore believe that, as things are, he will not pursue a policy tending towards military intervention in Russia.

But the English Government, which in its relations with France lives from hand to mouth, and in order not to allow France full freedom of trade swallows nine-tenths of the French moves as accomplished facts, has outwardly begun a policy of half-measures. Instead of at once energetically placing the work of relief in the hands of the State, it gave it a private character, which naturally delays relief and makes it ineffective. It further allowed the appointment of an international commission in which Russian experts of the Noulens-Pau-Girand type could babble without end, in order that the cloud of gas might cover French preparations in Poland and Rumania. Thus, England has lost time and given the German and American Governments the opportunity to take precedence. The Republican American Government has not yet decided to enter into a commercial agreement with Russia, but on one point it is clear: if America ever means to trade with the Russian people she must be on the spot, and that right now, for the relief of

the starving. Hence the rapidity with which Mr. Liman Brown, Hoover's representative, reached Riga, hence the time Mr. Hoover was able to spare for interesting himself in philanthropy in spite of all his work as Secretary for Commerce. Even German diplomacy—which, heaven knows, derives its politics neither from Machiavelli, nor from Cardinal Richelieu, nor from Bismarck, but merely cooks up the dregs found in the old kettle of Wilhelm's Foreign Office—even Germany has bestirred herself so far as to grant a credit to the Red Cross in order to intervene more promptly. She, too, realises that to support Russia in her need is in the present situation the most important way of fighting for the Russian market.

English diplomacy regards the famine in Russia as a matter for profound study, and Mr. Lloyd George in his speech of August 17 made his contribution to the Commission of investigation. He drew a picture of the difficulties of fighting the famine in Russia. He declared that it was very difficult to transport grain from Europe to Russia. In his opinion, the grain should be fetched from the Russian districts not threatened by famine, English goods being brought into them in return. Just a question here: Why is it easier to introduce English goods into the furthermost parts of Russia and laboriously accumulate the grain obtained in exchange in a central point of Russia, and then at last to send it out to the famine areas? Why is all this easier than to transport grain via Libau, Riga, Reval, Petrograd, and Novorossisk? The difference in the volume of grain and of industrial goods is great, but it would be compensated by the numerous journeys of the English goods throughout the whole of Russia until by this means a quantity of grain would be collected, quite apart from the fact that direct deliveries of grain would help the starving peasants much more speedily than if they had to await the results of English trade activities in Russia. Yes, but where is the grain to come from, Mr. Lloyd George will ask. And where are you going to find your industrial goods, we ask in return. Mr.

Lloyd George points to credits. Well, get your credits for grain. If Mr. Lloyd George has failed to hit on this simple device, it is certainly not because he is dull, but because he wants to be very clever. If England grants Russia a loan for the purchase of grain it will undoubtedly yield reasonable interest, but that is an end of the matter. But in the case of a credit for industrial goods, which would be granted by large English concerns, the profits in the first place would be much greater than from grain, since the prices are not so stable and England is to a much greater degree in control of the market. Secondly, the more distant the connection between the kind of credit and the famine, the more easily may philanthropic rhetoric be set aside and the business standpoint adopted. For so humane a man as Lloyd George and so humane a Government as the English, it is very difficult to declare that England will grant no food credits to the dying Russian peasants until the Soviet Government has announced its readiness to pay the debts of the Tsarist and Kerensky Governments. But if the question is one of prolonged and complicated trade operations with firms for selling ploughs, soaps, lamps, etc., then the business is much easier. Then one can say, and Mr. Lloyd George has already been incautious enough to say openly, "You want trade credits. Very well, first restore your credit capacity and recognise the old debts." Then the Bible may go hang with its "feed the hungry and give drink unto the thirsty"; the Archbishop of Canterbury makes way for the City with its commandments of "credit and debit." Then follows the crowning work; through the doors forced open by famine the English merchant marches in to sell and buy throughout Russia to his heart's content; and these innocent activities of his, these are to be the mines laid by Mr. Lloyd George in his war against the Soviet Government. The English merchant is to convert the trade regulated by the Soviet Government into absolute free trade, mocking at all control. Such is the philanthropy of Mr. Lloyd George. It is the form of war against Soviet Russia by which Mr. Lloyd

George has tried since 1920 to replace military intervention. Just as Briand uses the famine as the starting point for exerting military pressure, so Mr. Lloyd George uses it as a lever for economic disruption. War may be waged in many ways.

IV

It is the business of the Soviet Government to determine by what means they may repulse both French military attacks and English "relief." In any case it is clear that the fight will take place on the ground of simple expediency, and that the issue is the Russian market. There is one thing that can form no subject of bargaining, and that is the country's political organisation, the right of the front ranks of the Russian proletariat to determine the fate of the country. Whoever cherishes illusions on this point will soon be undeceived. Take for instance the fate of the Relief Committee, which the Russian Government had allowed bourgeois politicians to form under their control. They did so in order to assemble every organising force in the country for fighting the famine. Messieurs the Cadets, and still more members of the political demi-monde, such as Mr. Prokopovitch, believed that under the wing of the Soviet Government they would find the opportunity to establish themselves as an auxiliary Government, and then, with the aid of the famine and the Entente, to set themselves up as a real Government. The Russian counter-revolution saw in this Committee the germ of a bourgeois Government, and bourgeois visionaries and gentlemen of diplomacy were in such a hurry that they were not even able to wait until Messrs. Kishkin, Golovin and Prokopovitch were in any way firmly established. Our friends of the bourgeois Committee risked a conflict with the Government on the question whether they should really help the peasants on the spot or whether they should rush off as soon as possible to Europe in order to take part in the diplomatic negotiations of the Entente with Russia, in which case they could naturally expect to be received by their former

Allies with open arms. And certain semi-official representatives of some Governments were incautious enough to support this scheme. The decision with which the Soviet Government has crossed it will no doubt raise a tremendous cackling in the frightened poultry-yard for a few days, but it will make it clear to the European diplomats that the grapes are sour. And they may be very sure that the grapes will remain sour.

V

The want created by the famine is great. The Soviet Government, which in every fibre of its being is united to the mass of the people, cannot regard this misery with the usual indifference of the bourgeois "master class." It will not say in the words of the exponent of English Imperialism, the historian Seely, "if they cannot live they must die." In order to hasten to the aid of the masses in their need the Soviet Government will exert itself to the utmost and will make the concessions to capital that the situation may demand. But the sharp line of distinction to which it has kept in all negotiations about concessions will still be maintained, a limit which if overstepped would mean selling its birthright for a mess of pottage. And by its efforts it will become even more firmly rooted in the estimation of the peasants, at whose side it stands in their need; side by side they are together fighting the famine, as before they fought the White armies.

Moscow, August 31, 1921.

A PARLIAMENT OF LABOUR

By R. PAGE ARNOT

NO one can have followed the recent controversies in the Trade Union movement without a sense of dissatisfaction. They have brought no really fertile criticism; they have led to no reconsideration of methods. The complete re-valuation of values within the movement, hoped for by some and feared by others, has not taken place. The position could be better stated if it were said that amongst all sections of the Labour movement there was a feeling of insecurity, an absence of the old complete trust in existing methods; that while there was frequent perception of details of organisation that could be improved, there was no agreement as to the main cause of weakness; and that finally there was no unified plan, both comprehensive and simple, on which everybody could get to work.

The controversy between Mr. Cole and Mr. Williams in the first two numbers of the LABOUR MONTHLY provided an example of the sort of Black Friday discussion which has been common during the summer. Now this discussion was typical. Mr. Cole described and partly analysed; Mr. Williams also described and analysed. Both ended with suggestions as to how a repetition of Black Friday was to be avoided. Mr. Cole brought forward certain rather general suggestions, but did not put forward any new idea or add anything to what he had often put forward in the past. That is to say, there was no sign that the specific disaster of Black Friday had taught a specific lesson. It had merely proved again something which, to Mr. Cole, had been often proved before. Mr. Williams, on the other hand, made suggestions which were so vague as to be, for practical purposes, useless. His final aspirations for international work-

ing-class solidarity were of no more use, except as an expression of a sentiment, than his earlier "Would to God thou hadst been here!" addressed to Mr. Smillie. Clearly, if Black Friday had generated a definite constructive idea Mr. Williams was bound in some way to give it expression here. But he did not. Now, the whole point of discussing Black Friday lies in this: that, whoever was right and whoever was wrong, the thing itself was an event of such magnitude, involved positively or negatively so many millions of the workers, that any future action must be based on the lessons of that incident. That is, not lessons learned before and applied to this incident, but lessons derived directly and freshly from that incident. Without such a purpose, discussions of Black Friday degenerate into quarrelsome attempts to fix the blame on some one person or set of persons. The objection to washing dirty linen in public can always be sustained if the washing is done to show that the linen was dirty and not simply in order to get it clean.

If we are to understand the lesson of Black Friday, we must have already in mind the perspective of the theories which have contributed their part in the criticism and construction of modern Trade Unionism.

Most of these theories have been discussed for a good number of years, and a knowledge of them, either accurate or vague, but a knowledge of some sort, has been widespread. Even when the more theoretical side of these controversies has been ignored, they have played a part in actual Trade Union problems. Every worker has at least heard of the controversy of "Craft versus Industrial Unionism;" and while there was a steady tendency for the sharp theoretical edge of "Industrial Unionism" to be blunted in proportion as it became popularised, at the same time the acquaintance of a large number of Trade Union members with this view gave an impetus to new movements within the societies and deepened the discussions over such questions as "Amalgamation" into wider issues. The "Industrial Unionists" stood for the organisation together of all the workers con-

cerned in the making of a particular product or the rendering of a particular service. This, of course, was not all they stood for. Those who were thought of as Industrial Unionists had a doctrinal basis for their propaganda derived from the writings of Daniel De Leon, the preamble to the 1905 Constitution of the I.W.W. or the later and more Syndicalistic modification of that Constitution. But to the majority of the Trade Unionists these doctrines seemed to be epitomised in the statement of the structure of an industrial Union which has been cited above. "Industrial Unionism" might not be fully grasped. The concrete scheme of *an industrial union* was easy to understand. It could be argued about: and, according to the stage of development of the industry, it could be cordially agreed with or vehemently repudiated. The whole point, of course, of their discussions rested upon the development of industry. It was this modern development of industry, both in the integration and centralisation of the control of capital and also in the concentration of ever larger productive plants, which had caused the need to be felt for a parallel organisation of Trade Unionism. The need was voiced first in America just because the characteristic developments had first shown themselves in that country. Consequently the formation of the theory of Industrial Unionism bore upon itself the stamp not merely of the new development in capitalism to which it was the answer, but also of the specific American conditions, not only of capitalist production but also of social and political structure (including the existing type of Trade Union organisation) under which it grew up. The country of capitalism *pur sang*, its Northern States dominated by a capitalist idealism so strong, so uncontaminated by any memory of a medieval organisation of labour as to compel the Southern States to pass straight from chattel-slavery to wage-slavery without a suggestion of serfdom or peonage; with its ferocious dictatorship of the employing class concealed indeed but not mitigated by the boat-race rivalry of the Republicans and Democrats; with its Trade

Union organisation so corrupted, so inexpressive of working-class solidarity that even an acute and sympathetic student like the late Professor Hoxie could conclude that Trade Unionism, far from being the proper description of working-class protective associations, was really a confusing term lumping together four quite separate and unrelated forms of economic organisation; with no political working-class movement worth speaking of and no co-operative movement at all; such a country and such conditions naturally bred despair in the more advanced workers. In the castle of Giant Despair the characteristic doctrines of the I.W.W. took their desperate shape. They abandoned political action because it was hopeless; they abandoned the American Federation of Labour unions because they were hopeless; they well-nigh abandoned organisation itself because it was hopeless. And yet, with the courage of despair, the Wobblies carried their doctrines over the English-speaking world and could often infuse their own spirit of relentless struggle into the most discouraged and outcast sections of the working class. In this country they never attained any real hold. What progress was made with the ideas of Industrial Unionism here was mainly under the influence of those who had retained a belief in the political activity of the working class. But even amongst them there was an echo of the American conditions in which Industrial Unionism was born. Existing British Trade Unionism (in the first decade of the present century) was in their opinion so hopelessly reformist that it seemed to them best for it to disappear and give place to new organisations worthier of carrying on the battle of the working class. This view ran so strongly counter to all the instincts of the workers, who would "stick to their Unions as their Unions had stuck up for them," as to prevent any widespread acceptance of the new doctrines. All that happened was that the notion of *the industrial Union* became the common property of the movement.

This discussion of a revolutionary structure for Trade Unionism was greatly reinforced in the period immediately

succeeding the unemployment crisis of 1908-9 by the sudden vogue of "Syndicalism." The memory of the bitter bread of charity and the aftermath of movements like the prolonged wages struggle in the South Wales valleys had created an atmosphere favourable to a gospel of revolt. Preached by Tom Mann and others, the new gospel of "direct action," with its distinct anti-Parliamentary bias, rapidly attained a prominence which had been denied to the earlier propaganda of the Industrial Unionists. The Syndicalists paid little attention at first to questions of structure. Action, action, and again action, was their slogan. But it was just this insistence on militant direct action on the part of Trade Unionists and the consequent discovery of the difficulties that beset the path of action which brought the masses up against the problem of Union structure, and in this way furthered the earlier ideas of creating a new type of Trade Union organisation. Meantime the development of capitalist organisation had proceeded apace. The nineteenth century structure of many of the Unions was rendering them more than ever unequal to the struggle against the employers. A powerful body of opinion began to grow within nearly every Union in favour of a drastic reorganisation. In practice, however, this was often limited to propaganda for amalgamation of rival Unions, or of Unions in the same industry. Against this came a counter-proposal for "Federation" as the solution, and for a time the question "Amalgamation versus Federation" became the theme of Trade Union discussions. The "Amalgamationists" had the best of the argument: but in practice their success was limited. Nevertheless it was in the two years immediately preceding the war that there began the building up of great amalgamations, in some cases of combines over the most part of a whole industry, a process which has continued right up to the present. Unfortunately the movement towards fusion had only begun when the war came. Had it been possible to complete it in the major industries in the years 1910-14, the Unions would have been in a position in those

years to meet the attacks of the employers with a chance of successful resistance. The process was carried on, it is true, over a large number of industries during the war and since. But the war period had proved a forcing time for the employers as well as the Unions and the effectives of the capitalist forces to-day are doubled and trebled in strength.

Not only for the development of employers' organisation but for the awakening of every form of corporate consciousness the war was a forcing time. The scope of Trade Unionism expanded to cover grades and sections hitherto unorganised and novel spheres of work. With this there came an expansion in theory as well, which partly meant a progressive adoption of the already existing theories and partly the prevalence of new theories. Of these the most notable newcomer was Guild Socialism, which suggested to the workers working under the extreme pressure of war-time industry the new claim for an "increase in status" (i.e., abolition of wage-slavery, regarded as a sort of personal chain), for "control of industry" (self-government in industry, to be expressed ideally through "National Guilds," institutions with a structure worked out in detail) and for "functional democracy." It thus renewed 18th century aspirations for liberty and democracy, and claimed that a meaning had once more been given to these ancient slogans by interpreting them as liberty from wage-slavery and democracy in industry (democracy in every functional grouping of society, industry being one) as well as in politics. Guild Socialism, with the same sort of cleverness as Mr. Shaw had displayed in his Ricardian first Fabian essay in Socialism, used the traditional political bourgeois arguments, but turned the muzzle end of these weapons against the bourgeoisie. The slogan of "control of industry" rapidly spread throughout the Unions and became sufficient of a nuisance to cause the Government to appoint the famous Whitley Committee.

Again this new propaganda, with whose later and stranger developments we are not here concerned, worked in favour of a change of Trade Union structure. Clearly, if workers'

control was the goal of Trade Unionism, that goal could not be reached by the Unions as at present constituted. Before control, before self-government in industry could begin to be exercised, the Unions must be blackleg proof, must be industrial, and this not merely in the sense of uniting rival Unions, but with the full meaning of including everyone, from labourer and office-boy up to manager, in the same organisation. "All the socially necessary personnel of the industry" was a phrase used. It meant everyone except the shareholders: it gave a theoretical justification to the nascent Trade Unionism of the higher grades; and it powerfully reinforced the case for a new conception of Trade Union structure.

The upshot of all these circling theories, and of the industrial development that was the *primum mobile* behind them all, was a considerable tightening up and strengthening of the Trade Unions. There began to be societies calling themselves industrial Unions and later others calling themselves guilds. Of course the theorists of *the industrial Union* could not agree that the N.U.R. or the Iron and Steel Trades Confederation was anything more than an *organisation by industry*, a step on the way to the industrial Union, but not the attainment of it. In this they were right; but, nevertheless, the mere existence of the N.U.R., with its active members regarding it as an Industrial Union, was a challenge to the stereotyped forms of Trade Unionism. Indeed, apart from possible new developments amongst the general labour Unions, the N.U.R. probably represents the furthest advance in Trade Union structure that is likely to be reached for some time along the line of the improvement of individual Unions. Even if all other Unions were to modernise their machinery and every industry were to come abreast of those that are to-day the most advanced it would not rule out the possibility of a recurrence of Black Friday. Factors were operating there that go deeper than questions of Union structure, and that must be coped with by other means.

The popular interpretation of Industrial Unionism as the one big national organisation in each industry has proved of service; but it will not be a sufficient guide for the future. Consolidated Capitalism calls for Trade Unionism consolidated beyond anything yet reached. To reach this consolidation we need to have a new and deeper understanding by the masses of the theories that are put forward in their interest, a clearer consciousness of the rôle they have to play and the way they have to play it. But this means a re-examination of those theories in order to find their most creative and seminal ideas, to discover how far they fit the facts as we know them and to assemble them into a single and comprehensive scheme. To this re-examination we must now turn.

The first point that emerges is a point of contrast. The popular interpretation of Industrial Unionism took hold of the idea of centralised national organisation. It entirely overlooked the idea of all-grade organisation within the workshop. Yet this was the kernel. Without this change accomplished the other changes were bound to be futile. On this the Industrial Unionists, the Guild Socialists and every other group striving to find a plan, based all their arguments. Yet so little was it felt to be fundamental that societies aiming at being Industrial Unions like the National Union of Railwaymen or aiming at being national guilds like the Union of Post Office Workers, have not merely not insisted on all-grade branches, but have even allowed fresh branches to be formed to represent a single grade, separated from the other members of the Union. This might have been a case of *reculer pour mieux sauter:* but there is nothing to show that it was so. Now without doubt this is the basic condition of effective modern Trade Unionism, that the geographical branch should give place to the workshop branch; and that the workshop branch should include everybody, from top to bottom, without distinction of grade, skill, sex, age or race. The approximation to this in the mining industry was largely the cause of the rapid growth and success of the Miners'

Federation from 1888 onwards. But, if introduced in other industries as a revolutionary change, its great effect on Trade Union organisation would pass unnoticed in the enormous and incalculable effect it would have on the morale of millions of workers. For the very molecules would be astir in the structure of Trade Unionism.

The second point of importance is the building of a strong local movement. Other questions arise, the relation of the workshop branch to other workshops, to the district committee of the Unions, its work, its degree of autonomy, and so on. But none is so important as this question of building in each locality a strong representative Labour body deriving its authority from the Union branches and empowered to call on the Union branches to carry out its decisions. The comparative weakness of the Trades Councils has been a weakness in the whole Trade Union movement. Their expulsion from the Trade Union Congress twenty-five years ago at the instance of John Burns was a fatal error. Just as in the fifteen years that followed their expulsion the French Trade Union movement gathered its strength, its flexibility and its fighting power largely from the fact that in the C.G.T. (General Confederation of Labour) there were bound together the local bodies (Bourses de Travail) with the national sections. It is now high time to realise that a movement which is not strong locally can only make a show of strength nationally. In the creation of strong local Labour bodies, in planning and fighting for their creation, the whole Labour movement will recreate itself. If the coming of the workshop branches with full power to deal with every matter affecting any or all of the men in the workshop will be like a rebirth of each Union, the creation of a plenipotentiary Labour Council in each town will have a no less effect. On this dual basis, of a workshop unit and above it a municipal unit embracing all workers, we have the beginning of a renaissance of Trade Unionism.

Last of all, we come back to national organisation of the whole movement, which is essential for working-class emanci-

pation just as the workshop branch and the strong local council of Labour are essential to it in turn. Here we meet with a difficulty for which there is no theoretical guidance. The I.W.W. and the original One Big Union solution are out of the question. The German Works Councils organisation, nearly eighteen months ago, had worked out a scheme which, while linking up Industrial Unions in local councils of the whole working-class, gave these local councils no representation as such nationally, but confined the representation on their central national body to the national Industrial Unions. The latest Guild Socialist proposal (in the Report whose general principle was adopted at the special conference of the National Guilds League ten months ago) was to build up a national body with representatives both of national Industrial Unions and also of regional (or local) Labour councils. Seven months ago this, or another of the similar schemes that have been current for the last few years, would have seemed enough. But seven months ago Black Friday had not occurred. After Black Friday it is impossible to consider any of these schemes as effective. Envisage any one of them in working order; imagine it existing in the situation that faced the Unions last April, and at once you are forced to see the disaster overtaking it all the same. This is where the regular critics of Labour gathered no fresh lesson from Black Friday. Yet the lesson is surely plain. It is that any national Labour organisation which is made up solely of representatives of the national Unions will act according to the interests of the sections of the working class enrolled in these Unions and not in the interests of the working class as a whole. This point, the question how exactly the working class are represented, may seem of small importance. Really it is vital. Unless it is understood that the National Union of Railwaymen, plus the Miners' Federation of Great Britain, plus the Amalgamated Engineering Union, plus each other Union in turn, simply make up the sum of these separate Unions, there will never be an effective general staff for the army of

Labour. These national Unions, in the aggregate, represent the working-class interest not as a whole, not directly, but only as it has filtered through the channels of the sectional organisation. Nor would a body which included the reorganised Trades Councils be the effective instrument that is desired. It is best to be clear on this point. There are municipal interests of Labour, there are national Trade Union interests of Labour, and there are the interests of Labour as a whole. The first of these is imperfectly represented at present; the second set of interests is well represented; but there is absolutely no body at all which stands for the working class as a whole. The sum of the national Trade Union interests is represented by the Trades Union Congress, just as the sum of transport Trade Unions' interests is represented by the Transport Workers' Federation. But, as Mr. Robert Williams pointed out in the LABOUR MONTHLY of August, the various transport Unions may not easily agree on what are the general interests of the transport workers. The Trades Union Congress is like the Transport Workers' Federation on a large scale (a fact which will be still more plain when the Congress or the General Council is called to take action), and would continue to be like it even if it were exclusively composed of revolutionary left-wingers. Neither in the Trades Union Congress Parliamentary Committee, nor in the General Council, step in advance though it is, nor in any of the schemes and theories so far put forward, can we find the proper instrument for expressing the will of the working class as a whole. The movement has yet to create a parliament of labour.

Is there any indication of how such a body may be expected to develop? We can see the possibility of a partial reversion to the sort of Congress that existed before 1895, with the representatives from the localities now voicing an experienced and strongly organised local movement. But it must be only a partial reversion. It is necessary not simply to go back and correct a mistake made a quarter of a century ago: it is necessary also to go forward and, just as

the Trades Councils formerly supplemented the Unions, to bring in a third element to supplement both. Where is that element to be found? The phrase "parliament of labour," may yield us a useful analogy. For just as the British Imperial Parliament is elected by constituencies on a geographical basis, irrespective of what classes the population consists, so it would be possible to elect the major portion of a parliament of labour by direct election from the working class, grouped in their workshop branches to form constituencies that would be each several thousands strong. Thus would be created a body which would represent the very important sectional interests of Labour through the delegates of the national Unions, and also the municipal interests of Labour through the renewed affiliation of the renovated local Councils; and finally, the workers themselves by election of a major portion of the Congress direct from the workshops. The Executive Committee of such a body would have a moral authority denied to the present General Council, whose sectionally elected members must suffer from the same emasculation of power as comes to all federal bodies. They are a conference of ambassadors, representing different interests. It may be said that such a gathering of salient points in existing schemes of reconstruction will not provide us with any better central body than we have at present, and that the delegates from the Parkhead Forge will represent an engineering point of view, just as the delegates from Clapham Junction will give a railway view. Such a criticism, it seems, would miss the point. An election from the workshops would mean, of course, that each delegate would represent his fellows in the same industry; but he would represent not their traditional and customary interests, often as against other sections, but their immediate living interests, which may vary rapidly and of which any truly representative body must nevertheless take account. Further, the delegates from the shops would represent their fellows simply as workers, selling their daily labour for a wage, and by this having interests in common

with all other workers. Delegates of such a temper would rise superior to a crisis like Black Friday and at once obtain the mastery of events.

The Labour movement is not now in a position to carry on without the most scrupulous and drastic revision of its method and policy. The larger aims that have opened before it demand a wider vision; its new purposes can only be carried through by a concentration of will on a definite plan. The suggestions made in this article may not be the right ones. But some such suggestions must be made, and, when made, acted upon. In any case, they are not the wrong suggestions simply because they may seem to entail changes that are too far-reaching. For boldness in reconstruction at the present time is not unwise. It is in small and tinkering alterations, in short-sighted forecasts of the Trade Union future, that folly lies.

THE GERMAN SOCIALIST OUTLOOK

THE character of the present situation in Germany, and the expectation of renewed disturbances in the winter, lends a special importance to the plans and policies of the Socialist parties revealed at their Congresses just held.

I

The Majority Socialists, who represent the dominant Right Wing of the Labour movement together with a number of middle-class supporters, and are still the strongest single party (with over a million members), held their annual Congress at Görlitz, in Silesia, on September 18. At this Congress two questions of considerable significance for the future of the party had to be decided. The first was the question of a programme. At last year's Congress at Cassel the old Erfurt Programme, on which the Social Democratic Party had been built up since 1891, was finally jettisoned, and it was decided to prepare a new programme. This new programme was adopted at the Görlitz Congress: but the suggestion was made that a final decision should be postponed until the hoped-for union with the Independent Socialists had been effected, in which case both sections could prepare a new programme. The second question, which resulted in a decision that is likely to have far-reaching effects, concerned the tactics of the party in the immediate future. In view of the expected disturbances in the winter, it was felt necessary to be willing to enter into a union with non-Socialist parties that were prepared to maintain the existing Republican order; and, in despite of some opposition from a section of the rank and file, a resolution to this effect was carried by 290 votes to 67 in favour of helping in the formation of a coalition government, which might include

the German People's Party or party of Stinnes and the big industrialists. This means that in the approaching period, following on the murder of Erzberger, the old Socialist question of coalition with the capitalist parties will again be in the forefront. What will be the attitude of the Independent Socialists is not yet clear: but the talk of possible union with the Majority Socialists continues. The Communists will, of course, in any case refuse, even in the event of a Republican bloc, to take part in a coalition with the capitalist parties.

The Majority Socialist position is clearly explained in the following article by Eduard Bernstein, written on the eve of the Congress.

EDUARD BERNSTEIN ON THE MAJORITY SOCIALIST POLICY

(From the *Prager Presse*, September 18, 1921)

All eyes are now watching the issue which will determine the future position and policy of the Republic. We may say, without presumption, that the S.P.D. (German Social Democratic Party) is the party which deserves above all others the title of Republican Party. No bourgeois party has shown any such determination to fight for the preservation of the Republic, nor has any other Socialist Party decided to grant the Republic what the exigencies of the present demand, if she is to live.

At the present moment Germany does not possess a Socialist majority; voting for the National Assembly showed the party strength to be 13.8 million, in comparison with the 16.6 million votes of the bourgeois candidates; whilst the Reichstag elections resulted in giving 15,000,000 votes to the bourgeois and 11,000,000 to the Socialists. These figures illustrate the impossibility of a purely Socialist government; unless the example of Russia were to be followed, and a terrorist minority government formed—an experiment likely to prove still more disastrous in an industrial country like Germany, than in Russia. Hence the necessity of a coalition government for the German Republic, composed of the Socialist parties, and those of the bourgeoisie prepared to support the Republic.

The German Socialist Party has recognised this necessity and acted accordingly; the suggestions before the Görlitz Congress prove what importance such a coalition has in the eyes of the members of

the party. The chief obstacle, however, is the question whether the party should lend itself to the formation of a coalition which also includes the German People's Party, that new edition of the National Liberal Party of Imperial Germany. In Prussia the party's disinclination to join such a coalition resulted in the abstention of the party from the government, although the German Socialist Party was the strongest in the Landtag; accordingly that Government is a centrist one, composed of Centrists (the Catholic Party), German Democrats and the People's Party. The party may rejoice in its lack of responsibility for government decisions, yet important business, such as the reorganisation of the administration on a Republican basis, came to a standstill when the party left the government. Demands for the reconsideration of their decision in this matter have come from the members of the party and not from the ministers who retired from office.

From these considerations, the urgency of a coalition with the bourgeoisie becomes apparent; but for many reasons the Social Democrats have hitherto found such a union impossible. Chief amongst them is the fact that the People's Party has not yet definitely recognised the Republic, which would mean not only the renunciation of Kaiserdom, but all that that system implied. On this account the Social Democrats have proclaimed: " Under no circumstances union with the People's Party." The Congress at Görlitz must come to a final decision on this, and agree whether this watchword is to remain part of the Party programme.

Many smaller branches demand that the Congress remain true to this policy; but it is interesting to observe that several larger centres, such as Berlin, Breslau, Frankfort-am-Main, have drawn up demands which would have the coalition with the government depend on the political platform decided on, and not on the parties who form the coalition. In the foremost ranks of these necessary political dogmas stands: Recognition of the Republic. Many go further and stipulate readiness to defend the Republic and its democratic basis; whilst Berlin, Stettin and others make the condition that: " A pacific foreign policy be adopted, the Peace Treaty loyally fulfilled, and the imposition of Property Taxes introduced so as to meet the heaviest burdens."

The Congress will in all probability decide on a policy in conformity with these conditions, and thereby make possible a *rapprochement* with the People's Party; some of whose members have declared themselves for full recognition of the Republic. And yet from the Social Democratic point of view a coalition with this party has its dangers, since the S.P.D. would be faced with three opposing parties in the government, instead of two as at present, and outvoting on fundamental matters would be easy. If the Independents would withdraw from their position of refusing to join a coalition with the

bourgeoisie, this danger would be diminished. They have 61 votes in the present Reichstag, which added to the 108 of the S.P.D. would mean 169 votes, or a Socialist vote almost as strong as the collective vote of the three bourgeois parties. From a coalition which included the Independents there would not be the same danger of a weakening of the pacifist attitude of the Republic by the People's Party, since the united power of the Social Democrats would have a tremendous moral influence.

There is another matter to be taken into consideration. At the moment the coalition in office is of the Left, composed of Centrists, German Democrats and representatives of the German Social Democratic Party, and whatever its advantages it is still a minority government. The three parties which go to form it command only 220 of the 466 seats in the Reichstag; though its security is in no way menaced, since the Independents and the Bavarian People's Party observe towards it an attitude of friendly neutrality. But security of office and the administrative ability of a government do not merely depend on the relativity of party votes in parliament; those factors play an important rôle which Ferdinand Lassalle, in his memorable speech on Administration, termed the real relativity of power. It is such factors which argue in favour of the German People's Party. The German People's Party represents in a greater degree than any other party that stratum of society known as the bourgeoisie; it includes within its ranks representatives of the world of finance, Big Business, the higher grades of intellectuals and bureaucrats. Hence its greater wealth and great influence on so-called public opinion, and its great importance in connection with the present position of the German Republic. A government may be formed in opposition to the bourgeoisie, laws may be passed against their interests, but there are limits to the power of parliament, especially when laws regulating finance are at stake.

Just on this question of finance depends the life or death of the Republic; in her domestic affairs there is a huge deficit, and means must be found to meet the enormous demands of the Allies. Within the realm of reality a taxation programme to meet these needs seems impossible; but still more difficult will its realisation be if the majority of those on whom it must needs impose burdens are not met with some degree of goodwill. Examples of the results of lack of this goodwill are many. Take the Property Tax, which brings in a far smaller return than should have been the case had the bourgeoisie been inspired with this sense of goodwill; in fact, the amount raised is in proportion to the friendliness of the bourgeoisie towards the government.

There is every possibility of attaining unity if the efforts in this direction amongst the Social Democrats of both tendencies meet with

general success; already this has been so in various localities. Demands on such lines have been placed before Congress, and are certain to meet with approval. But it is just as certain that the S.P.D. cannot retract from the policy of a Republican Coalition for the sake of this party unity. The life or death of the Republic depends on the proposed coalition; without it there must ensue dissolution, caused on the one hand by the bourgeoisie, and on the other by the proletariat, because of the strife resultant from intensification of the class war. However, unity with the Independents is probable, and much has been attained in this direction; by their tactics of remaining on the fence they have already injured their reputation with the workers more than would have otherwise been the case.

The realisation of this unity is no domestic matter of our movement; the future of the Republic, and the relations of Germany to the neighbouring States are also closely affected by it. Great interest, therefore, attaches to the Congress decisions.

II

While the Majority Socialist Congress reveals the problems of the right wing, who are finding themselves compelled to step further to the right in defence of the constitution and unite with the representatives of big industry, the Communist Congress held in the previous month reveals the problems of the revolutionaries, who are finding themselves faced with a period in which the revolutionary struggle has fallen to a low ebb. The failure of the attempted rising last March led to severe controversies within the Communist Party. The right wing, represented by the former chairman, Levi (who had already come out in opposition to the prevailing Communist policy by his criticism of the Third International's treatment of the Italian leader, Serrati), entered upon an extremely hostile attack on the whole attempt, even while the trials of those involved were still going on; and this open hostility reached such a pitch that Levi was expelled from the Party. At the same time the left wing, who were in the majority, defended their policy by a line of argument which came to be known as the theory of the offensive at all costs; that is to say, the view that the revolutionary policy lay in attempting repeated offensives in the hope of securing effective support from the masses.

The controversy came before the International Congress at Moscow in July, and took on an international significance, raising as it did the whole question of the advance or retreat of the revolutionary movement. The theses presented to the Congress by Trotsky and Varga on the international economic situation and the consequent revolutionary policy have already been printed in a previous number of this journal. Trotsky came to the conclusion that a temporary depression had set in, which had an important bearing on the present function of Communist parties; while these parties must still be, essentially and continuously, parties of action, they had before them an immediate task of organisation and winning over the masses in order that their action should be successful. In accordance with these general conclusions the Moscow Congress, while approving the March attempt as justified by the circumstances (and approving, also, the expulsion of Levi), entirely rejected the theory of the offensive and strongly criticised the conduct of the March attempt. At the same time a Pact of Unity was established between the various wings within the German Communist Party; and Klara Zetkin and others, who had been previously associated with Levi, subscribed to this.

The Jena Congress of the German Communist Party, which met on August 22, had to consider the new decisions of the International. The reception of these decisions was awaited with attention, because the Jena Congress was the first before which these decisions came; the German Communist Party (with its three hundred and fifty thousand members) was the principal Communist Party outside Russia; it was the party most directly affected, and it was known to contain a strong left wing. A special letter was addressed to the Jena Congress by Lenin, in which he makes a comprehensive review of the whole situation and enforces a strong plea for unity. The letter is incidentally of great interest for the light it throws on Lenin's estimate of revolutionary possibilities in the future.

The German Socialist Outlook

LENIN'S LETTER TO THE GERMAN COMMUNIST PARTY

COMRADES,—I had decided to write a detailed article to express my opinion on the lessons of the Third Congress of the Communist International, but illness has prevented me from carrying out my intention until now. However, the fact that the V.K.P.D. (United Communist Party of Germany) has convened its congress for August 22 impels me now to write my letter with the utmost speed, so that it may be despatched to Germany in good time.

The present position of the German Communist Party is, as far as I can judge, a particularly difficult one. And this is easily understood. In the first place, and this is the most important point, the international position of Germany since 1918 has caused a very rapid and acute development of the internal revolutionary crisis and has driven the advance guard of the proletariat to attempt an immediate seizure of power. At the same time, profiting by the lessons of the Russian revolution, the bourgeoisie, both German and International, splendidly organised and equipped, and mad with hatred, attacked the revolutionary proletariat of Germany. Ten thousand of the best of Germany's revolutionary workers fell and suffered martyrdom at the hands of the bourgeoisie, assisted by their heroes, Noske and Company, their lackeys, Scheidemann amongst others, and their indirect (and consequently specially valuable) abettors, the Knights of the Two and a Half International, with their lack of character, their vacillations, their pedantry and their bourgeois outlook. The armed bourgeoisie laid traps for the defenceless workers, murdered them in masses, put their leaders to death systematically one by one, utilising very adroitly the counter-revolutionary cries raised in the ranks of the social democrats of both shades—both Scheidemann and Kautsky. In this time of crisis the German workers were without the guidance of a real revolutionary party, a fact due to the influence of the fatal unity tradition of the mercenary and characterless Kautsky, Hilferding and Company—to the whole band of the lackeys of Capitalism (Scheidemann, Legien, David and Company). Every class-conscious, honourable worker, who had pinned his faith on the Basle Manifesto of 1912, was filled with an incredibly bitter hatred against the opportunism of German Social Democracy. This hatred—the noblest and most sublime feeling of the best spirits amongst the masses of the enslaved and exploited—dazzled and deprived them of the possibility of calmly considering the most suitable strategy to use against that of the capitalists, with their splendid organisation and arms; these capitalists grown wise from the Russian experiences and supported by capitalists in France, England and America. It was this hatred that drove them to premature risings.

Happenings such as these account for the difficult and painful

progress of the revolutionary movement of the German workers since 1918; but yet it has advanced and continues to do so without wavering. No one can deny the gradual leftward tendency of the masses of the workers, of the real majority of the toiling and exploited in Germany, and even amongst those organised in the old Menshevik ranks (that is those organisations which serve the bourgeois cause), or those totally or almost wholly unorganised. The present work of the German proletariat must be carried out with coolness and perseverance; past mistakes should be systematically corrected. It should build up patiently an alert and unwavering Communist Party, composed of the majority of the workers both in Unions and outside, really capable of giving a lead to the masses in all and every situation, of developing a form of strategy on a level with the highly-developed international strategy of the bourgeoisie, attained through long years of experience, and specially by the experience of the Russian events. If the German proletariat works on these lines, victory will be assured. In the second place the present difficult position of the German Communist Party has been aggravated by the splits with the little group of Communists on the Left Wing and with the group of Paul Levi and his paper *Unser Weg*, or the *Soviet* on the Right Wing. Those of the Left Wing, the K.A.P.D. (German Communist Labour Party), were warned sufficiently at the Second Congress of the Communist International. Yet we must continue to suffer those semi-Anarchist elements to take part in our International Congresses, until the countries of importance in the world revolution possess a steady, experienced and influential Communist Party. To a certain degree the presence of these Anarchist elements is an advantage, for they serve as a concrete "scare example" for inexperienced Communists, whilst they themselves may still learn. Everywhere in the world, not only to-day, but ever since the Imperialist war of 1914-1918, Anarchism has been split into two divisions, viz., Pro-Soviet or Anti-Soviet; for the Dictatorship of the Proletariat or against it. These antitheses in the Anarchist movement must be allowed to take their course and mature. There is now hardly anyone in Western Europe who has been through any revolution worth the name. The Great Revolution is almost completely forgotten there, and the transition from aiming at being revolutionary(discussions and resolutions on revolution) to real revolutionary activity is a very difficult, slow, and painful process. Of course, one can only suffer these semi-anarchist elements up to a certain point, and in Germany we have been long-suffering. The Third Congress of the Communist International issued an ultimatum to them, and should they now secede from the Third International on their own initiative, so much the better. In the first place by this action they would save us the trouble of expelling them, and secondly, this fact serves as an illustration to all undecided workers,

still filled with hatred towards the opportunism of Social Democracy, and cherishing a certain sympathy for Anarchism, of the patience displayed by the Communist International in refraining from the immediate expulsion of the Anarchists, and of its efforts to understand them and give them a lead in the right direction.

Henceforth we should refrain from devoting so much attention to the K.A.P.D., for by so doing we are only advertising them. They are too lacking in sense to be taken seriously, whilst it would be a wrong policy to be angry with them. Their influence upon the masses is nil, nor will they ever gain any if we take care to commit no blunders; this tendency will die a natural death, for the workers themselves will realise how little vitality it possesses. Our plan must be to carry on a systematic propaganda with a view to realising the decisions, on both tactics and organisation, agreed by the Third Congress of the Communist International, instead of giving publicity to the K.A.P.D.ists by our abuse. The infantile disease of " Leftism " will pass and will be completely overcome with the growth of the movement.

In an almost similar manner we are now helping Paul Levi. It is a wrong policy to give him publicity by our attacks, for he is only waiting for us to pick a quarrel with him. In accordance with the decisions of the Third Communist International he should be forgotten, and (without dispute, invective or recrimination) all attention and strength should be concentrated on the peaceable, essential and positive activity advocated in the Congress decisions.

Comrade Radek, in my opinion, has sinned against these unanimous decisions of the Third Congress by publishing his article entitled " The Third International Congress on the March Rising and Future Tactics." (*Rote Fahne*, July 14-15, 1921.) A Polish Communist sent me this article, which is unfortunately an attack not only on Paul Levi (that would not be of great importance) but on Klara Zetkin—a fact directly harmful to the movement. For Klara Zetkin had herself during the Third Congress entered into a " peace pact " with the executive of the V.K.P.D. with a view to harmonious working with the party; and we all approved this agreement. In the great zeal of his unseasonable attack, Comrade Radek resorts to a direct mis-statement of facts by attributing the thought to Comrade Zetkin " that she postpones every general action of the Party to the day on which the great bulk of the masses rebel." It is obvious that Comrade Radek by such acts renders such a service to Paul Levi that the latter himself could not wish for a better. Paul Levi's greatest desire is to continue the bickerings ad infinitum, so as to involve more and more people, and so that the polemic against Comrade Zetkin, which is a breach of the peace pact concluded by her at the Third Congress and approved by the whole Communist International, may lead to her

expulsion from the Party. This article of Comrade Radek is the best example of how Paul Levi may be helped by the "Left."

I take this opportunity of explaining to our German Comrades my reasons for defending Paul Levi at such length at the Third Congress: my first reason was because in 1915-16 I met Levi in Switzerland with Radek. Levi was already at that time a Bolshevik, and I cannot shake off a certain feeling of distrust towards those comrades who have become converts to Bolshevism *only since* the Russian victory, and the whole series of victories in the international arena. Of course this reason is comparatively trifling, for my personal knowledge of Paul Levi is but slight. The second reason is of far more importance, namely, that Levi's criticism of the March, 1921, rising in Germany was substantially correct in many points. (Not, of course, in dubbing the March rising a "Putsch"—this argument of Levi's is absurd.) It cannot be denied that Levi has done everything he could to weaken and destroy the effect of his criticism; he introduced many trifling incidents, about which he was plainly in the wrong, and thus obscured, both for himself and others, the significance of the essential point. The form of the criticism is both inadmissible and harmful; Levi preaches caution and well-thought-out strategy to others, whilst he himself behaves like a greenhorn by rushing hastily into the struggle in so blind and thoughtless a manner that he must needs be overcome (and make his work difficult for many years to come) although the fight will and must be won. Levi's behaviour was that of an "intellectual Anarchist" (if I do not mistake, the correct term in Germany is Anarcho-aristocrat) instead of acting as an organised member of the proletarian International. Levi was guilty of a breach of discipline.

Many incredibly silly mistakes prevent Levi from calling attention to the root cause of the matter, which is of great importance, for it meant the consideration and correction of the numerous errors committed by the V.K.P.D. in the March, 1921, affair. It was necessary to take one's stand with the right wing at the Third Congress so as to get quite clear about these mistakes (which a certain section praised as pearls of Marxian tactics) and see to their correction. The line of action of the Communist International would otherwise have been wrong; therefore I defended Levi and was obliged to do so whilst I was faced with his opponents, who merely screamed "Menshevik and Centrist," without realising the mistakes of the March affair, or the necessity of further explanation and improvement. Such people merely caricature revolutionary Marxism and transform the struggle with the Centrists into an absurd sport. People of this calibre constitute a great danger to the cause in general, since "nobody in the world can compromise revolutionary Marxians, if they themselves do not do so." To such people I said: Suppose Levi has become a Menshevik, I will not argue the point should I be given proof,

because I know him too little; but so far there is no proof of this. The only thing proved at the moment is that he has lost his head.

It is mere childishness to brand a man a Menshevik for such a thing. It is a tedious and difficult task to develop experienced and influential party leaders, without which the Dictatorship of the Proletariat and the "Unity of its Will" are but phrases. In Russia we took fifteen years (1903-1917) to educate such a group of leaders. Fifteen years of struggle with Menshevism, fifteen years of Tsarist persecution. In these fifteen years the great and mighty 1905 revolution took place, and still amongst our most distinguished comrades sad cases of "swelled headedness" occurred. We must put up a fight against any such childish idea our West European comrades may cherish that they are proof against these "sad occurrences." We were obliged to expel Levi for his breach of discipline; but it was also necessary to determine our tactics on the basis of the explanation and correction of the mistakes of the March rising. Levi's refusal subsequently to relinquish his former attitude would thereby confirm the justice of his expulsion. This would become more patent, the more convincing the complete correctness of the Third Congress decisions on Levi could be made to the vacillating and unconvinced workers. Just because I dealt so cautiously at the Congress with Levi's errors, I can now with greater conviction declare that he has lost no time in fulfilling my worst expectations. I have before me number six of his little paper *Unser Weg* (July 13, 1921) with an editorial declaration on the title page which clearly shows that Levi is fully cognisant of the decisions of the Third Congress. But what does he say to them? Such Menshevik phrases as the "great ban," the "Canonical Law," and that he will now discuss these decisions with "complete freedom." What greater liberty can you possess than to be free from the Party and the Communist International! And, imagine, Levi will have members of the party writing anonymously in his little paper.

At first the party is undermined, the party work interfered with, and then a "scientific dissertation on the Congress decisions"—splendid! With this Levi sounds his final death-knell.

If Paul Levi could he would prolong the dispute, but it would constitute a strategical error of the first importance to gratify his wish. My advice to the German comrades is to forbid any further polemics against Levi and his paper in the party Press. He should be given no publicity; nor allowed to detract the attention of the fighting party from things that really matter into insignificant channels. Weekly and monthly publications or pamphlets could, where really indispensable, return to the attack, though without giving Paul Levi or the K.A.P.D.ists the pleasure of mentioning them by name, but rather referring to them only as "some rather unwise critics, who profess to

be Communists." Rumours have reached me that at the last meeting of the Executive, Friesland of the Left Wing was forced to deal sharply with Maslow, who is toying with Radicalism and devoting himself to the sport of "running Centrists to earth." Even in Moscow, Maslow gave token of his rashness, to say the least of it. And had the German Communist Party been wise and looked to its advancement it would have sent Maslow and a few of his supporters, who refuse to keep the peace, to North Russia for a few years; there we should have been able to put them to useful work. We would have absorbed them. At all costs the German Communists must cease this internal strife by eliminating quarrelsome elements of both extremes. Paul Levi and the K.A.P.D. should be left to oblivion, and work, real work, of which there is an abundance, made the order of the day.

The Third Congress resolutions, both on tactics and organisation, signify a great advance, and all our strength should be concentrated on their realisation. It is a difficult task, but it can and will be fulfilled. At the first Congress, Communists made it their business to declare their principles to all the world. The second step was made at the Second Congress, when we determined the construction of the Communist International, and discussed the terms of admission to the International which established the definite cleavage between it and the Centrists, and the direct or indirect agents of the bourgeoisie within the working-class movement. It was at the Third Congress that real work was begun, based on the results of our practical experience in the Communist struggle; there we agreed on the methods of future work. We have now a Communist army throughout the whole world; though as yet poorly developed and badly organised. To forget, or seek to conceal, this fact would be merely to endanger the cause. It is our duty to build up and organise this army, to train it in all sorts of movements and struggles, in attacks and retreats, in which great care should be observed in studying the experiences of each movement. There can be no victory apart from this tedious and hard schooling. The stumbling block in the position of the international Communist movement in the summer of 1921 was attributable to the lack of comprehension of this by some of the best and most influential factors within the Communist International; some exaggerated the fight against the Centrists, overstepped the bounds somewhat, thus transforming the fight into a sport to the point of compromising revolutionary Marxism. The Third Congress was faced with this stumbling block: no great exaggeration exists, but its dangers are untold. To grapple with this excessive zeal was a difficult matter, mainly because it was displayed by those comrades most zealous and ready for any sacrifice, and without whom possibly no Communist International would be in existence. This exaggera-

tion appears especially vividly in the supplement to the Thesis on Tactics which was published in the paper *Moscow* in French, English and German, and signed by the German, Hungarian and Italian delegates. We confirmed the victory over any danger of excesses by turning down this supplementary thesis and determining the line of action of the Communist International. This tendency to excessive zeal would have doomed the Communist International if no fight had been put up against it; for " no one in the world can compromise revolutionary Marxists, if they themselves do not do so." And, what is more, only the Communists can prevent our victory over the Second and Two and a Half Internationals (which, in other words, means victory over the bourgeoisie). Exaggeration even to the slightest extent is an obstacle to victory; it means new life for the Centrists and the increase of their strength and influence with the workers. Our battle with the Centrists on an international scale we learnt to conduct in the period between the Second and Third Congress; facts prove this. We shall continue this struggle (the expulsion of Levi and Serrati's party) to the finish; but we are not yet adepts in carrying on the struggle on an international scale against uncalled-for exaggeration. But we have recognised our needs in this respect, as the course and result of the Third Congress have shown. Just because we have been able to recognise our mistakes we shall overcome them. And then we shall be invincible. The bourgeoisie of Europe and America cannot maintain their power when once deprived of the support of the proletariat itself (in the ranks of the Second and Two and a Half Internationals, which are capitalist agents). The most fundamental and at the same time important Congress decision was that dealing with the careful and thorough preparation of fresh and ever more decisive methods of attack and protective warfare:

. . . . Communism in Italy will become a powerful force if the Party continues unflinchingly the fight against Serrati's opportunism; and is at the same time in a position to link up with the proletariat in the workshops, in strikes and in its struggles against the counter-revolutionary organisation of the Fascisti, to absorb their movement and to transform their spontaneous coups into carefully prepared struggles. . . .

. . . The V.K.P.D. will be in a position to carry out its mass actions with all the more success if in future it adapts its weapons more closely to the situation in hand, studies the situations with the utmost care and conducts all action in the most uniform way. . . .

These form the kernel of the Third Congress resolution on tactics. To conquer the majority of the proletariat is the most " important work " (title of Section 3 in the resolution on tactics). We do not interpret the conquest of the majority in the manner of the Knights of the bourgeois " democracy " of the Two and a Half International. An example of the conquest of the majority of the

working class for our cause occurred in July, 1921, in Rome, when the proletarian masses, including those in reformist unions and the Serrati party, backed up the Communists in their struggle against the Fascisti. But this victory was very far from being decisive, it was but partial, a transient local conquest; yet it was the conquest of the majority. A similar victory is also possible when the majority of the proletariat joins issue with bourgeois leaders, or such leaders who cultivate bourgeois policy (all those in the Second and Two and a Half Internationals are such), or if the majority of the proletariat is still vacillating. Conquests of this calibre are continually taking place in the whole world. Our duty is to make a careful and thorough preparation for the struggle which will lead to victory. And no serious situation should remain unutilised in which the bourgeoisie drives the proletariat to fight. We must learn to estimate correctly the situations in which the proletariat must take their part beside us in the fight. This will assure us of victory, no matter how heavy our losses may be in any single stage of the great campaign.

Our tactical and strategic measures (taken internationally) are still much inferior to the brilliant strategy of the bourgeoisie, who have learnt much from their experience with Russia, and will take good care not to be taken unawares. In strength we are immeasurably richer; the art of strategy is being acquired, and the experiences of the March coup of 1921 have meant a great step in advance for this science. We shall become complete masters of it. In the majority of countries our parties are still far from the reality of a proper Communist party, the real advance guard of a thoroughly revolutionary class, in which every member, to the very last man, joins in the struggle in the movement for our daily needs. But we are cognisant of these defects; the thesis on the methods and work of the party makes no secret of it. We will overcome it.

German Comrades, allow me to close with the wish that your Congress on August 22 will make a final clearance of the petty quarrels with the right and left refractory elements. Let there be an end to internal strife; down with all those who would prolong it, whether directly or indirectly. We can now judge our work much more clearly than before; we do not fear to admit our mistakes and thereby rectify them. We want the entire strength of the party to be concentrated on the improvement of the structure of organisation, the raising of the standard of activity, the formation of greater unity with the masses and the working out of ever better working-class tactics and strategy.

With Communist Greetings.

N. LENIN.

Moscow, August 14, 1921.

The German Socialist Outlook

The Jena Congress of the German Communist Party was successful in achieving the desired unity. The Resolution on Tactics was passed with the assent of left, right and centre; and there were only seven dissentients. Nevertheless the left wing inserted two passages into it which tempered the acceptance of the international decisions: one protesting in part against Trotsky's criticism, and the other (despite explicit disavowal of the theory of the offensive) coming very near to reasserting it in another form. However, the resolution was accepted by the representative of the International Executive as expressing a successful compromise for unity on the basis of the International decisions. The following is the text of the resolution:—

RESOLUTION ON TACTICS AT THE JENA CONGRESS OF THE GERMAN COMMUNIST PARTY

The Congress bases itself on the decisions of the Third World Congress and is prepared to organise the Party for carrying them out. According to the thesis of the Congress on the world situation the curve of capitalist development is on the decline, despite a temporary revival; whilst the revolutionary curve is on the upgrade despite all vacillations. The course of development in Germany shows that owing to the after effects of war the decay of capitalism is inevitable; its revival in Germany would only be possible at the expense of the proletariat and its total impoverishment. It is the duty of the V.K.P.D. to mass the workers in their fight of self-defence which has already begun, growing ever more intense, and in which the bourgeoisie employs every means in the power of the State against the worker. It must lead the fight in a spirit aiming beyond the prevention of any immediate deterioration in the economic or political situation, at the setting up of the dictatorship of the proletariat.

The Congress approves the justice of the thesis criticising the March rising, and purposes to profit by these lessons on future occasions.

The Congress affirms that the Third International recognised the necessity and justification for the March coup, judging it a step in advance, and rejected the revolutionary philosophy of the offensive supported by certain sections of the Party. Comrade Trotsky, in his severe criticism of the March affair, overlooked the fact that the mistakes were due not only to this revolutionary philosophy of the offensive, but also to the earlier passive attitude of the Party.

Already the Party has made efforts to put into effect the lessons deduced from the March action; it would have had more success had not the "Soviet" group's attacks on the Party and lack of discipline prevented progress in this direction. The lessons to be deduced are:—

(1) Careful preparation of all struggles, and exact analysis of situations as they arise. The Party to enter into the closest relations with the bulk of the masses. Aims of all struggles to be easily understood by every worker.

(2) The spirit of unity in the fight to be fostered and carefully developed within the organisations. Relentless discipline.

(3) All vestiges of opportunism and tendencies towards inactivity to be similarly overcome, together with the policy of revolutionary impatience and radical-sounding phrases.

The discussion and realisation of our present tasks must take precedence at Party debates over all criticism and discussion of the past in view of our exact summing up of our March mistakes.

The Congress takes it for granted that everyone will be drawn into the movement who subscribes to the decisions of the Third Congress, and is prepared to work on the lines of the Moscow agreement and to submit to Party discipline. Because of the process of economic ruin in Germany, because of the employers' offensive, which in every way is backed by the machinery of State power, and because of the terrible want of the mass of the proletariat and the small bourgeoisie, the tasks before the German Communist Party can only be accomplished by directing their work of agitation and organisation to the goal of action. If the pressure exerted by the Party is insufficient to lead the proletariat to battle with united front, it should attempt independently to lead large sections of the masses into action. This policy of protecting the vital interests of the proletariat through its most active and class-conscious part can only succeed and can only stir up the more backward, if the objective of the struggle has grown out of actual facts and is intelligible to the mass of the people, who must recognise in that objective their own. The German Communist Party's imperative duty is to seize the initiative in all campaigns against the increase in the price of bread and cost of living generally, the reduction of real wages and the shifting of monstrous burdens of taxation on to the proletariat. It will only be possible to carry out this programme if every group, industrial, trade union or district, if every single member of the Party, if the whole Party press and the parliamentary groups fully grasp and clearly formulate the duties of the moment, and under firm and consistent leadership start the battle for the general demands of the proletariat, letting every single watchword be based on the actual facts of the day, uniting the masses in a single front against the bourgeoisie, extending and in-

tensifying the fight, and concentrating on the ultimate goal: the conquest and establishment of power by the proletariat.

While it is essential during the growth of the movement to intensify the struggle, it is also the duty of the Party, if the movement assumes a retrograde course, to secure a close and orderly retreat of the masses. The main point is that the V.K.P.D. should be filled with the spirit of preparedness for struggle and overcome all tendency to passivity.

The V.K.P.D. must not confine itself to defensive tactics against the dangers threatened and the blows inflicted on the proletariat. In the time of world revolution the Communist Party is of its very essence the party of attack in the onslaught on capitalism.

ENGLAND AND RURAL INDIA

By "I. C. S."

IT seems to be an obvious duty at the present time to reconsider all our conventional ideas about the Empire, and in particular about India. Now it is commonly held in England that whatever else we may have done or left undone in India, we have at any rate conferred great benefits on the agriculturists and landlords, who form nine-tenths of the total population. Every apologist of our rule has rightly emphasised the essentially rural character of the country, and few have had the hardihood to maintain that we have benefited either the few Indians who have received a European education, or that other class, the "landless proletariat," which has been brought into existence by the growth of the milling and mining industries.

In 1909 Lord Curzon stated, in his usual dogmatic manner, all that he considered the Indian agriculturist really needs: "To be worried as little as possible for money, to be helped generously in times of famine, to have their disputes settled without fear or favour, and to be protected against money-lenders, landlords, and legal practitioners." In very many parts of India the modern agriculturist wants and expects a great deal more than this from Government; but even accepting Lord Curzon's estimate as correct, it is at least arguable that we have failed completely and signally in all the four points that he enumerates. It will be best to take each point separately—Land Revenue, Famine, Judicial Work, and Protection against Money-lenders.

I

Though our revenue system varies throughout India, the English usually adopted the method in force when they came to the country. Land taxes remain the chief method of

raising revenue, just as they did under Asoka. A tax based on the fertility of the soil forms the first claim on all cultivated land. Sometimes it is fixed permanently, but over most of India is liable to periodic revision. The general effect of it is that in areas where there is no irrigation a village has to sell just about a tenth of its harvest to pay the revenue. Grain and straw are usually almost the only marketable commodities, so the land revenue leaves the village in the form of grain; and as revenue is collected at fixed periods, this means grain sold at the bottom of the market. The arrangements for assessment and collection are complicated, but not very efficient, and there is a considerable leakage, especially through minor officials. This leakage has, of course, to be made good by the cultivator.

In irrigated areas the question is more complicated; but every peasant imagines that Government gets its *quid pro quo* for all irrigation works in the form of increased revenue, and on the whole this is correct, as all irrigation works are expected to pay a fair percentage. It is a common mistake for Englishmen to assume that the native population, either in India, Egypt, or Mesopotamia, feels any gratitude for irrigation or railway works. Some years ago Lord Cromer pointed out that there was not the least reason to expect gratitude unless the irrigation works were a free gift, and recent history in Mesopotamia has merely emphasised this obvious truth.

Let us put ourselves in the position of the average villager, who realises that the revenue takes twenty cartloads of grain out of his hamlet, and who tries to think what he gets back in exchange. In the larger villages there are schools, with one or two underpaid masters, but few villagers care to keep their sons at school after they are old enough to start the simplest kinds of farm work. Sometimes there is a Government road near the village, and occasionally some other form of building, but there are thousands of villages which have paid revenue for about a hundred years in which it would be impossible to find any sign of Government work. The

villager has police protection of a sort, but he is usually too poor to be afraid of robbery, and the only other common serious crime is murder. As regards the latter, practically every Hindu and most Mahommedans object strongly to capital punishment, and our elaborate judicial system seems to them merely ridiculous. I do not think that anyone would be bold enough to argue that our civil courts help the agriculturist.

I fear that the villager must realise that he gets very little in exchange for all that grain, while he probably forgets the chief benefit he receives from Government, which is immunity from war. Indeed, sometimes looking down on a little Maratha village I have remembered that the grandfathers of the present tired and hopeless-looking villagers were the men who watered their horses in the Indus, and terrified Calcutta, and I have wondered whether freedom from war is an unmixed blessing from the agriculturist's point of view.

On the whole, it is difficult to see why the agriculturist should be thankful for our revenue system. It is fixed, rigid, and theoretically equitable, but none of these are characteristics which make for popularity. In many parts of India we have made the additional mistake of leaving the actual collection of land revenue in the hands of men who are of entirely different caste from the villagers.

II

When any outsider ventures to criticise British rule in India, he is nearly always met by a reference to famine work. Perhaps it is fortunate that very few Englishmen have any practical experience of famine work, so that one of the weakest points in our administration has gone almost unchallenged.

The frequency and severity of famines before the British came to India is a complicated question, which has, unfortunately, become a subject of political controversy. Undoubtedly there were famines, for, besides a certain amount

of historical evidence, many parts of India are dependent for their year's harvest on certain rains not only being sufficient, but also being properly timed. Of course, it is quite possible that agriculturists used to keep larger reserves of grain in hand, but there is no real doubt that two bad years in succession must always have caused immense suffering, and also practically exterminated the cattle in affected areas.

From the earliest days of the East India Company it was known that India was liable to suffer from famines, and one of the very worst occurred in Bengal shortly after we had undertaken the administration of this country. It is interesting to remember that in France and other parts of Europe this famine was ascribed to the exploitation of the country by the English. Since then there has been a severe famine about once every twenty years, the last being in the year following the war, 1918-1919. At no period during the last century could the English have argued that a famine was so unexpected that a reasonable Government should not have made preparations for it. In spite of this it was not till after the famine of 1900 that any clear-cut schemes were worked out for dealing with famines. It does not require a very high standard of administrative work to realise that all office work necessary for starting relief works, and arrangements for importing grain and fodder into precarious areas, and the hundred and one practical details of famine work, have to be worked out for each district and kept ready in case of famine. This, however, was never seriously attempted till the last twenty years. For nearly a century famine succeeded famine, and on each occasion there was the same story of delay before the declaration of famine, and when it was too late the sanctioning of relief works which had not been properly thought out, and ill-arranged systems of dole which only touched the fringe of the general distress.

In 1877 five million people died of starvation, and the famine of 1900 in the Deccan was completely mismanaged,

yet no one seems to have realised that tragedies of this sort were anybody's fault; they seem to have been considered as inevitable, like the Irish potato famine. Mr. Kipling's absurd picture of famine work, in which a district officer wanders round the country in charge of what seems to have been an itinerant relief camp, has been accepted by most people in England as something about which we should be proud. As a matter of fact, the history of our famine work is very similar to that of many of our smaller wars. The Englishman is excellent at the elementary practical side of the work, and by dint of physical hard work and energy has managed to gloss over the defects of the system, just as the British soldier frequently has won victories in spite of bad staff work.

Even to-day our famine codes are faulty and ruined by excessive centralisation and hopeless parsimony. The methods of camp organisation, etc., are those which the last war has shown to be wrong, while too little attention is paid to the prevention of famine conditions directly the rains have proved a failure. Although the agriculturist pays the bulk of the revenue in direct taxation, and, as we have seen, gets little enough in return, yet the one time Government might make some recompense, they work out famine codes which aim at just keeping the population on the borders of starvation. It is difficult to avoid forming opinions on chance impressions, but the present writer was much struck by two camps seen in January and April of 1919. The first was a refugee camp in Mesopotamia for the inhabitants of the Lake Van district who had fled in front of the Turks. About 30,000 men, women and children were housed in large tents and looked after so well that they cost about Rs.15 per head daily. The second camp was a famine relief camp in the Deccan, and consisted of rows of huts made from three pieces of matting. These formed a slight protection from the sun, but none from the rains which started towards the end of the famine operations. The cost of the camp per head was about one-third of a rupee daily, and the

inhabitants worked eight hours a day breaking stones. It should, perhaps, be mentioned that the guard for the Mesopotamian camp was a Maratha regiment, recruited in the Deccan, and that the expenses of that camp were partly contributed from Indian sources. It is, presumably, better to belong to a country upon which an Empire has ambitions than to the Empire itself.

Probably, famines are not a great peril of the future. Railways at first accentuated famine conditions by discouraging the habit of hoarding grain, for, while it was never impossible to get enough grain into a famine district, all the distress was caused by the difficulty of getting it distributed properly. Nowadays people in precarious tracts are learning to use the railways to emigrate in bad years to industrial centres, or to parts which are not so badly hit. Thus, in the Deccan, the "ryot," when he has seen his crop wither past recovery, sells his cattle or leaves them with a less enterprising neighbour, and makes his way down to the mills at Bombay or any other work that may be available.

III

Although Indian criminal and civil law are based on the English system, yet the actual administration of both is almost entirely in Indian hands. It is a common idea in England that the Indian peasant can always take his case before an English magistrate, and usually prefers to do so. Even if there was once some foundation for this belief, it has not the remotest connection with modern Indian conditions. As long ago as 1840 Macaulay had converted the Indian Government to the principle of adopting the English system of law, as well as English methods of education. He failed to see that a handful of Englishmen would never have sufficient influence to enable these foreign importations to take root in an unsuitable soil. Just as education has never flourished, so law has become more and more divorced both from justice and from the general welfare of the people.

India has earned an unenviable reputation for the amount of its civil litigation, the greater part of which concerns land disputes, mortgages, and religious trusts, all of which closely affect the rural classes. These cases are tried under a complicated civil code, either before a Sub-Judge, who is invariably, or the District Judge, who frequently is an Indian. Lawyers are almost always employed, even in the smallest cases, and the law is interpreted correctly but pedantically. The final court of appeal is a provincial High Court, with little of the independence or prestige of an appellate court at home, and which consequently tends to administer the strict letter of the law. It is clear that the average peasant has nothing to gain from this system when he becomes involved in a dispute with a wealthy money-lender; in fact, no better method could have been evolved for placing the illiterate mass of agriculturists into the power of the small class who can understand subtle legal points and employ expensive lawyers. The smaller civil courts are not free from the taint of bribery, which is another powerful weapon in the hands of wealthy litigants.

There can be scarcely two hundred English magistrates taking original criminal work in India. A similar proportion per head of population in England would be about thirty for the whole British Isles. Nearly all minor cases are taken by Indian magistrates, who are usually Government servants, as it is almost impossible to get suitable men to sit on District Benches. In these courts, lawyers appear in nearly every case, and they have a well-organised system of touting. In any little village dispute, the parties are urged to take the case into court, and, once there, it drags on for months before some Brahmin clerk, who is an easy prey to a procrastinating lawyer.

As regards the more serious offences, like murder, a villager who is accused of some crime will get a theoretically fair trial before the District Judge, but he gains little by a system which places his defence entirely in the hands of a lawyer, while the case is solemnly thrashed out in a language

which he does not understand, under a code which means nothing to him.

When Lord Curzon wrote about the agriculturists' disputes being settled without fear or favour, I am afraid he was deliberately playing on a mistaken idea which his countrymen hold about our methods of administering law in India.

IV

Most English writers on Indian subjects seem to assume that because Government's general attitude is opposed to absentee landlords and money-lenders our rule has therefore tended to protect agriculturists against them. This claim is so preposterous that it could scarcely have gone unchallenged unless most of the Indian nationalist Press was financed by the lawyer and money-lending class. Undoubtedly the two great evils of rural India are absentee landlords and the excessive subdivision of the land into small holdings; but though legislation has been attempted on both these questions, it has proved such a failure that the whole problem has been shelved. In many parts of India it has been decided that such subjects should best be dealt with by the new councils. Very likely this is a sound decision, but it is also a confession that our policy is bankrupt in regard to a side of Indian life in which we have usually posed as the chief defenders of the Indian masses.

Very little thought will show that the legal system we have introduced is such a powerful shield for the money-lender, or "buniah," that any ordinary legislation aimed against him is bound to fail. As the land systems in India vary a great deal, it will be best to take a specific area to show how complete our failure has been. In the Deccan, as in most of India, the Government is theoretically the sole landlord. In practice, about a fifth of the area has been permanently alienated during early days of the East Indian Company, and given to the families of various landowners who assisted the English. The remainder of the land has been allowed to be alienated by the original holders, and the only result of the State being

landlord is to make the land revenue the first claim on land, which is liable to be forfeited on failure to pay. In early days the Company naturally encouraged the larger landowners, as the only possible way in which a foreign power can keep a hold on a large semi-civilised population.

Undoubtedly the village "buniah" was a feature of village life before we came to the country, but he lent his money without real security, and his despotism was based on the comparative good will of the inhabitants, and was tempered by a very real fear of robbery and assault.

The English administration gave him police protection and civil courts, with Indian judges interpreting civil law pedantically and with little regard to equity. With this assistance the "buniah" could afford to smile if the revenue officials were unsympathetic, for he knew that he must win in the end. Even if the English revenue officer took such opportunities as came his way to help the agriculturist against him, yet most of the revenue work, the improvement of land records, and the registration of documents, etc., all played into his hands. He has never flourished as he does to-day, and he has been reinforced by other classes, especially practising lawyers. Every year when the harvest is below average the "buniahs" spread their tentacles over more land, and it is the exception to find any land within reach of a town which is free from encumbrance.

About 1916 Dr. Mann undertook a careful analysis of a typical Deccan village. It was a small hamlet of about 100 families, mostly cultivators working on about 800 acres of unirrigated land. The Government revenue came to Rs.1,600, or about two rupees an acre. The indebtedness of the village was Rs.13,000, at interest varying from twelve to seventy per cent. The yearly interest charge was over three rupees an acre. This is not abnormal, and many villages would show a higher rate. During the famine of 1918 I collected some figures for an ordinary village inside the famine area, and a long way from the nearest town. The village had an acreage of about 1,000, and was assessed by

Government at about two rupees an acre. During four famine months the villagers had mortgaged land for a nominal Rs.12,000, of which, following a common custom, they had actually received less than Rs.10,000. All these transactions were mortgages with possession made out in proper form, and entered in the village records, and will undoubtedly be enforced by civil courts. Co-operative societies have been started, but they have done practically nothing to release the average cultivator from this burden of debt, and frequently these societies get into the hands of the old "buniahs."

Some attempts have been made to deal with this state of affairs by legislation, but the only result has been to provide the lawyers with new sources of income. Thus the Deccan Agriculturists Relief Act gave a civil court the right to inquire into the actual terms under which land was mortgaged, and to grant relief in the case of exorbitant interest being charged. In a few months the "buniahs" had discovered the method of "false sales," where a mortgage with possession is made out in the form of a sale. For this and other reasons the Act has proved a complete failure, and no attempt has been made to replace it.

Quite possibly the problem is insoluble. The first effect of foreign rule is to upset the natural balance between classes, and we must look on the present ascendancy of the "buniah" and the lawyer as a necessary consequence of our occupation; but it seems incredible that anyone, even a retired Viceroy, should be so ignorant of actual conditions as to claim that the English have held the "buniah" in check. As a matter of fact, the first result of our withdrawal from the Deccan would be the hasty retreat of the Marwadi and the other rapacious and cowardly castes who batten on the agriculturist.

The other great rural evil, the excessive subdivision of land holdings, has grown steadily worse during the last fifty years, and no attempt has been made to deal with it. Under the present Hindu law a man's estates are usually divided

amongst his heirs, field by field, instead of by taking the property as a whole. The result is that an enormous proportion of land, especially in the Deccan, is divided into uneconomic small holdings, so that a man owning ten acres will usually have them scattered about the village in plots of one or two acres, frequently of an awkward and unworkable shape. No one disputes the importance of this evil, but the local Governments realise that any legislation would probably offend some portion of the people, and as the problem is not one that endangers our rule, the whole subject has been left untouched.

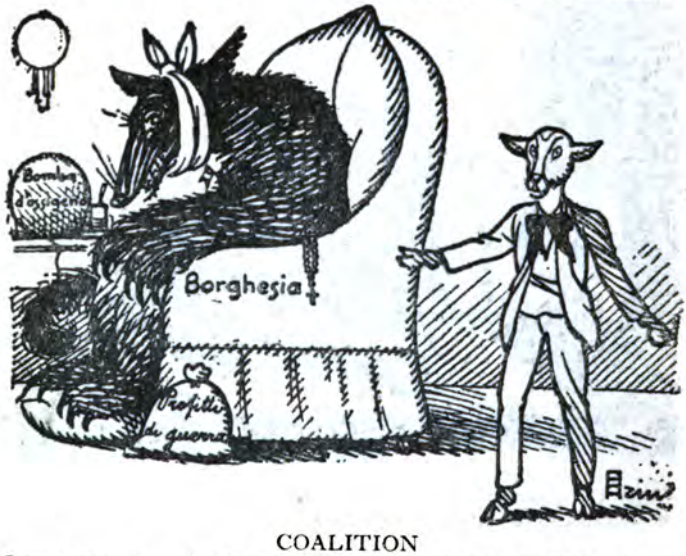
A century of British rule has now ended in a confession of failure, and the measure of our failure is not the amount of agitation against our government, but the hopeless condition of the Indian cultivator, and his poorer brother, the coolie. It is too early to consider the effect of the new Councils, but their powers are limited, and they represent the middle classes rather than the actual cultivators. Their institution does not relieve us of a fearful responsibility.

A COMMISSION OF INQUIRY

"Mercy! Food!"

"Don't be unreasonable. We must find out first if you really are hungry."—*Les Hommes du Jour.*

THE FASCISTI: "And now let us make peace."—*L'Ordine Nuovo.*



COALITION

'I must come in—there's no other way of saving the wolf!"—*Avanti.*

[The bourgeois wolf sits with his war-profits on one side, and an oxygen cylinder on the other]

"The three hundredth. Who comes next, John ?"—*Notenkraker.*

"We did not do it! We only oppose the proletariat and democracy, and always by constitutional means."—*Notenkraker.*

THE ALLIES AND RUSSIA

—The New York Call.

SHORTER NOTICES

THE NEW ECONOMIC POLICY IN RUSSIA

THE principle of the new economic policy, involving a change from "military Communism" to a form of State Capitalism, was agreed upon at the last All-Russian Congress of Soviets. The formulation in detail is a series of decrees issued by the Council of People's Commissaries and All-Russian Central Executive Committee; and their gradual realisation in practice is resulting in modifications of the economic structure of Soviet Russia. The new policy is the result of the paramount necessity of the most rapid possible development of all the productive resources of the country, together with the adaptation necessary to commercial intercourse with capitalist Europe. To this end large-scale nationalised industry is being organised in the form of State trusts covering only those concerns which are most suitable for administration on a national scale, with the advantages resulting from such concentration, while the remaining enterprises are being handed over to co-operative and other societies or to private enterprise by home and foreign capitalists.

The fundamental decree of the Council of People's Commissaries lays down the rôle of the Trade Unions in production, defines the basis on which the Supreme Economic Council will divide the large-scale factories and enterprises into those which will remain under its control and those which are to be given on lease. It fixes the relation of the State organs to the "home" and petty industry and the reciprocal relation of those with large-scale industry. Definite payment is fixed for all the economic services of the State. The Committee of Labour and Defence acts as the leader in carrying out the policy of the Supreme Economic Council. With regard to home industry and peasant economy the object aimed at is the creation of conditions under which "home" workers and independent craftsmen can most speedily develop industry on right lines, freely controlling the products of their own labour. The conditions of workers in leased enterprises have been formulated separately by the All-Russian Central Council of Trade Unions on a basis of collective contract. To develop the State co-operative exchange of goods a money form of exchange is necessary.

The new policy is now taking effect. State trusts are now coming into operation, such as the linen, cotton and woollen trusts in the textile industry, the railway construction trust, &c. The scheme of "collective provisioning" is applied to the workers in these industries under which the total remuneration for a given concern is fixed, not in consideration of the number of workers, but according to the fulfil-

ment of a "production programme." As the total remuneration is independent of the number of workers, the men themselves are interested in increasing production and getting rid of useless "ballast." Favourable results are everywhere reported, allowing a considerable curtailment of staff, while at the same time output is maintained and even increased.

Leasing of enterprises is generally fixed on a basis of guaranteed production with a definite percentage accruing to the State as rent. In many cases applicants for leases have been the former possessors of the factories. One of the recent large concessions is that given to the Northern Telegraph Co. for the construction of submarine cable and overhead telegraph communications between Sweden, Russia, Siberia and the Far East. In the case of the Russo-German Transport Co. the Soviet Government is itself a shareholder, holding a half of the shares.

Payment has been introduced for State services and products at prices fixed by the Value Committee of the Commissariat of Finance. Payment is not allowed to the latter for feeding of children, articles issued as rations or in wage payment, or for articles of "Social Insurance" and medical treatment. Payment is now in force for railway and train services and foreign postage. Special attention has been given to the question of housing and room rents have been fixed for lodgings, offices, warehouses, &c.

Development of the free market has proceeded rapidly. Under the regulations children under 16 are not allowed to take part in this trade. Many co-operative shops have been opened and at these perishable eatables are sold even to non-members. Freedom has been given to the co-operative societies to carry on operations on their own account and at their own risk. They are allowed to attract loans by offering interest, with responsibility of members for co-operative obligations. Regulations are fixed for State loans from the Co-operative Section of the Commissariat for Finance. This section has begun the reception of deposits on current account on which a percentage is given. The whole amount can be withdrawn at will.

CANADIAN LABOUR AND THE U.S.A.

THE last Canadian Trades and Labour Congress, held at Winnipeg at the end of August, illustrates in an interesting way the peculiar relation of Canadian Trade Unionism and the United States. The majority of the Canadian Unions are branches of the "international" Unions of the American Federation of Labour, with their headquarters in the United States. Of the 373,000 organised workers in Canada, 267,000 are in "international" Unions; though this last figure includes "international" (i.e., American)

Unions outside the American Federation of Labour, and also the "One Big Union" which was started as an opposition industrial unionist movement in Western Canada and spread over the United States. The Dominion Trades and Labour Congress is a subordinate body of the American Federation of Labour, from which it holds a charter, and has no independent executive power. The nature of this relation was illustrated by a particular case which was decided at the Congress. The Canadian Brotherhood of Railroad Employees was held to conflict with the sphere of an American "international" Union, the Brotherhood of Railroad Clerks, which claimed to organise railway workers of this type in Canada. Consequently the Canadian Trades and Labour Congress proceeded to expel the Canadian Brotherhood of Railroad Employees by a vote of 395 to 151. On the other hand, this strict "international" discipline solely regards America: the American Federation of Labour refused at its last Congress to have anything to do with any existing form of international Trade Union organisation. In this respect the Canadian Congress at Winnipeg has broken away from the policy of the American Federation of Labour, and decided to adhere independently to the International Federation of Trade Unions.

THE K.A.P.D. AND THE FOURTH INTERNATIONAL

THE Congress of the Communist Labour Party of Germany (K.A.P.D.) was held on September 12. The K.A.P.D., which was originally formed in April, 1920, as a left-wing secession from the Communist Party, has never been affiliated to the Third International, but was accepted by the Executive of that body for representation in a consultative capacity. The last Congress of the Third International called on the K.A.P.D. either to accept the Communist policy as laid down at the International Congress and to unite with the Communist Party, or else to end its connection with the Third International. The K.A.P.D. has decided at the Congress now held to break with the Third International, and the following resolution was passed:—

This Congress declares that our attitude towards the Russian Soviet Government has been brought about by its present policy. The Soviet Government in its *rôle* of fighter for the proletarian revolution must receive the most active support of the K.A.P.D., but when it deserts this post and acts as manager of the bourgeois revolution, then the K.A.P.D.'s duty is to oppose it. By taking this line of action the K.A.P.D. is also acting in the interest of the Russian proletariat, and purposes to carry on the fight in the light of the experiences gained from the Russian revotion, and with the recognition of its tremendous attainments.

The Congress declared in favour of starting a new or Fourth International (which would be on the basis of left-wing communism and express anti-Parliamentarian tendencies), and prospects were held out of linking up with similar groups in Holland, Bulgaria, Jugo-Slavia and England. The strength of the K.A.P.D. has recently been given as about 36,000 members.

A statement concerning the proposed International has been made in the organ of the K.A.P.D., *Der Proletarier* (No. 8), of which the following is the gist : :—

By the tactics adopted at the Third Congress of the Third International, the Third International has become an instrument of the Bourgeoisie against the Proletariat—the twin brother of the Second International.

"The Soviet Government of Russia has ceased to be a Proletarian Government by reason of its concessions to the peasants. This Government draws with it the fate of the Third International, has robbed it of its independence and made it dependent on the Bourgeoisie."

The Third Congress of the Third International betrayed the Proletariat by handing over the leadership of the Proletarian International to the Russian State and its leaders.

The Soviet Government, forced by economic circumstances to introduce Capitalism into the country, becomes itself the representative of Capitalism.

The Third International is working for the construction of the Russian State: the Second International for the reconstruction of the several capitalist states—that is the line of demarcation between the two.

"The Third International is lost for the proletarian world revolution. . . . Betrayal is all that can be expected from it. Hence, the absolute necessity of founding a new Communist Labour International."

The work of the new International will be the realisation of the Proletarian Communist Era. Just as the Second and Third Internationals have their methods of International relationship, the K.A.I. (Communist Labour International) will be obliged to establish centres and build from below upwards a real Soviet International.

One of the first duties is to establish an International Information and Organisation Bureau.

BOOK REVIEWS

THE TRUE LIBERALISM

Socialism and Personal Liberty. By Robert Dell. Leonard Parsons, Ltd. 4s. 6d.

"PERSONAL liberty in the Socialist State," the publishers' note tells us, "is an old controversy." It certainly is. The controversy used to be carried on between Liberals and Socialists. The Liberals who didn't like Socialism used to tell the workers that however much they might benefit from Socialism economically, life simply wouldn't be worth living under the regimentation of a Socialist system. Mr. Dell must have been greatly perturbed by the controversy: his opening remark is that "One of the greatest obstacles to the progress of Socialist ideas is the fear that Socialism would destroy personal liberty." Perhaps this is true of the circles in which Mr. Dell moves; but few members of the working class have ever worried much about it. And the reason is not far to seek.

In the mass, the ideology of any section of the people is determined by the economic position of that section. There are exceptional individuals, no doubt; but it is a sound instinct which makes the working class suspicious of the middle-class Socialist. Socialism, as Mr. Dell recognises, is not a panacea, but a system devised to remedy certain economic evils. And it is the working class, not the middle class, which primarily suffers from these economic evils. The middle class, at least the section to which Mr. Dell belongs, suffers from other evils —in Mr. Dell's case, for example, the passport regulations seem to cause him acute suffering, and he argues forcibly that "every individual should be free to move about the world as he pleases and to settle anywhere without let or hindrance, provided he conforms to the local laws and regulations." But Mr. Dell endures even more acute suffering from the fear that, under Socialism, he may be made to go to church on Sunday, or that Musigny or Romanée-Conti (which are, apparently, the finest of red burgundies) may be lost sight of in a Socialist society. Mr. Dell may think it unfair to select these examples; but, after all, they are the essence of the matter. The proletariat has nothing to lose but its chains; Mr. Dell's section of society has other things to lose—the rights and privileges which it enjoys under the existing system. And now that it realises that Socialism is inevitable, it begins to be anxious, and to write books showing how valuable its personal liberty is, and what a loss to the world it would be if Socialism swept away its trips to Paris, Switzerland, and Italy, or its favourite wines.

No Socialist underestimates the value of personal liberty, of the

freedom of the Press, of the right to stay away from church on Sunday, and of all the other privileges which some sections of society enjoy under the Capitalist system. But the value of some things is greater than that of others; and the working-class Socialist values light and air and life higher than these abstract liberties. It is particularly noticeable in Mr. Dell's book that, apart from a few perfunctory references to economic conditions, the sort of thing that he really feels about the present system is that the land is not free, and that "A system that makes it possible for a Rockefeller to have an income of £1,000 an hour needs changing." Hence it is that when, in arguing his case for liberty, Mr. Dell deals with Soviet Russia, he joins Mr. Bertrand Russell in assuming that the Russian experiment has failed or must fail. He says nothing of what has been done; he is only concerned with what has not been done. He tries hard to be very just, even generous; he points out that Allied intervention has been a great hindrance, and that probably the greater part of the present disorganisation of Russia is due to intervention and blockade. But he carefully avoids any discussion of fundamentals; he points out the danger that the existing Government may try to keep itself in power at all costs; he does not mention the danger that the one Socialist Government in the world may lose power. All through the book he gives the impression that personal liberty means more to him than Socialism.

Personal liberty, according to Mr. Dell, is "the minimum of constraint. And it is possible to define the minimum of constraint. The irreducible minimum is such constraint as may be necessary to prevent an individual from so using his liberty as to interfere with the liberty or the rights of others." It is an old definition; it is an old controversy as to what the definition means. The Liberal Party used to take it very seriously.

And when Mr. Dell, in a final chapter headed "Libertarian Socialism," tries to explain what he really means, it all comes down to the expropriation of the economic rent of the land (with compensation; but Mr. Dell has Communist leanings: he proposes that compensation should only be half the real value); universal free trade; and internationalism; plus red burgundies and incomes up to but on no account exceeding £2,000 a year.

It has been pointed out that the whole question of Socialism and Personal Liberty used to agitate the Liberal Party. Nowadays it seems mainly to agitate members of Socialist parties. The true Liberal always knew that Socialism was inevitable; in his more exalted moments he was even prepared to welcome it. But he hoped that, when it came, it would have the decency to come quietly and respectably, and, above all, that it would involve the "minimum of constraint" over his privileges. But the more certain he was that

Socialism was coming, the more anxious he became about his own prospects.

Now that Socialists themselves are beginning to realise that Socialism is imminent, the outbreak of early Liberal principles among them is assuming epidemic proportions. E. B.

A RUSSIAN PHILIPPIC

The Defence of Terrorism (Terrorism and Communism): A Reply to Karl Kautsky. By L. Trotsky. With a Preface by H. N. Brailsford. The Labour Publishing Company. 3s. 6d.

"TERRORISM AND COMMUNISM" was written sixteen months ago, in the midst of the Russo-Polish war. It is a strange spectacle to see a Minister for War, in the midst of a military crisis, engaged in a bookish controversy. But the explanation is not difficult. The whole driving force of the revolution depends on the belief of the Bolshevik theorists that they have been and are theoretically right and that the other Socialist theorists are wrong. Now of the other Socialist theorists by far the best known on the Continent is Karl Kautsky. For many years he was the High Priest of Marxism, and from the editorial chair of *Die Neue Zeit* spoke as *ex cathedra*. He was considered the orthodox exponent of Marxism, and many a working man learned his theoretic Socialism from his book on the Erfurt Programme. For the Bolsheviks it is, therefore, of great importance to show that at any rate the later utterances of Kautsky are an abandonment of the correct Marxist position. Another reason is furnished by Trotsky himself in his introduction, when he answers the question, "Is it still necessary to refute Kautsky theoretically?"

> It may be said that the will of the working masses of the whole of the civilised world, directly influenced by the course of events, is at the present moment incomparably more revolutionary than their consciousness, which is still dominated by the prejudices of parliamentarism and compromise. The struggle for the dictatorship of the working class means, at the present moment, an embittered struggle with Kautskianism within the working class. . . . This book must serve the ends of an irreconcilable struggle against the cowardice, half-measures, and hypocrisy of Kautskianism in all countries.

The effect of this reply, however, goes far beyond any mere purpose of answering Kautsky. Indeed, in future Kautsky may be remembered only for his having provoked one of the most brilliant pieces of polemical writing in Socialist history. This book is written in the grand style: and, whichever way it is judged, will keep a place amongst the masterpieces of political argument.

The book answers Kautsky, it is true, but not in the somewhat plodding way, which makes such heavy reading, of Marx's "Philosophy of Poverty" or Lenin's "Proletarian Revolution." Trotsky himself generates the necessary excitement by the bravura of his style

for appreciating the intensity of the fight and for understanding the sword-play. Marx here and there turns from the analysis of the errors of Proudhon to a statement of the correct view-point: Trotsky turns from the sweep of his enunciation of the correct view-point to deal with the errors of Kautsky.

He deals first with "the balance of power," then turns to the dictatorship of the proletariat. Here, more than once, there suddenly emerges the scorn of the practical man who is also a theorist (the Philosopher-King) for the philosopher who has never had to apply his theories. For Kautsky, reliance on persuasion is the best weapon of the proletariat. Trotsky rallies him, asking brutally:—

> Is it possible that Kautsky is leaning to the idea that the bourgeoisie can be held down with the help of the categorical imperative, which in his last writings plays the part of the Holy Ghost? . . . Every White Guard has long ago acquired the simple truth that it is easier to hang a Communist to a branch of a tree than to convert him with a book of Kautsky's. These gentlemen have no superstitious fear, either of the principles of democracy or of the flames of hell.

He leaves it at that and the argument proceeds with the most brilliant chapter in the book, the chapter on "Democracy." The chapter on "Terrorism" deals with all the revolutions of modern history up to and including the time of the Bolsheviks, up to the time of the revolutionary terrorism in Russia. The German savant's comparison of the Paris Commune with Soviet Russia is traversed in a closely-reasoned chapter which shows a full knowledge of that episode in proletarian history. Thereafter in the chapters entitled "The Working Class and its Soviet Policy" and "Problems of the Organisation of Labour," Trotsky achieves a miracle of compression and propaganda. Within its compass it is probably the best short statement and defence of Soviet Russia that has yet been written. The temper and tone of it suggest a man turning aside from the highest and most exacting form of administrative work to write, not with a tired brain, but with a mind at concert pitch. In short, Trotsky is in "top form." At times he rises into a gaiety of invective, of which one example must be reproduced:—

> In this connection, Kautsky asks: "Would Trotsky undertake to get on a locomotive and set it going, in the conviction that he would, during the journey, have time to learn and to arrange everything? One must preliminarily have acquired the qualities necessary to drive a locomotive before deciding to set it going. Similarly the proletariat ought beforehand to have acquired those necessary qualities which make it capable of administering industry, once it had taken it over." This instructive comparison would have done honour to any village clergyman. None the less, it is stupid. With infinitely more foundation one could say: "Will Kautsky dare to mount a horse before he has learned to sit firmly in the saddle, and to guide the animal in all its steps?" We have foundations for believing that Kautsky would

not make up his mind to such a dangerous purely Bolshevik experiment. On the other hand, we fear that, through not risking to mount the horse, Kautsky would have considerable difficulty in learning the secrets of riding on horseback. For the fundamental Bolshevik prejudice is precisely this: that one learns to ride on horseback only when sitting on the horse.

This book, with its well-proportioned argument and its turns of phrase, affords a literary pleasure not provided for in the usual Bolshevik literature. But to many readers there is another pleasure in the reading of it, in that it recalls a memory of the great controversies of the past. Surely the situation is unparalleled in the last two hundred years, that a new order of society, challenged to defend itself against the hostility of other nations, should also have to justify its existence on a European forum. For any parallel we have to go back to John Milton's "Defensio pro Populo Anglicano." The translation, as is obvious from the extracts I have quoted, is singularly well done, a thing for which we have reason to be grateful, particularly in translations from the Russian. The English is vivid and easy. There is, so far as I have noticed, only one mistake—in the passage where the Russian "Subbota" is given its normal translation of "Saturday" instead of, as it should be in this particular place, "the Sabbath." The printing is also good. But this praise for the auxiliaries of an author cannot be extended to the publishers, at least in one respect. The change of the original title "Terrorism and Communism" to "The Defence of Terrorism" seems likely to be confusing to the bibliographer in the future, and positively misleading as to the contents of the book. R. P. A.

PSYCHO-ANALYSING THE BOLSHEVIK

Psycho-analysis and Sociology. By Aurel Kolnai. Translated by Eden and Cedar Paul. Allen and Unwin. 7s. 6d.

THE appearance of a new translation from the busy pens of Eden and Cedar Paul will always win for the author they have selected an attention he might not have otherwise received from the small band of Labour students. They may lead us sometimes into strange paths; but they have a *flair* for the original and the arresting, and they are almost our only link with some of the movements of thought on the Continent.

This time, following a familiar bent, they have chosen the "new psychology" for their subject, and show us its relation to Bolshevism. Unfortunately, they have given us no information of the nature of their victim (for we assume that Professor Kolnai has been chosen by them as a victim to afford us a fascinating study of the professorial mind confronted with what in its own original terminology it calls "red ruin"); but from internal evidence certain facts can be gleaned. Professor Kolnai, it would appear, has had some personal experience

of the Hungarian revolution and was in Buda Pest during the Soviet regime; and this is no doubt what set his mind thinking about the subject.

In addition to this, Professor Kolnai has views of his own. He believes in something that he terms "Liberal Socialism." What "Liberal Socialism" is he does not deign to explain; but he brings it in occasionally in the course of his studies of the noxious varieties of black and red, much as a student of demonism might occasionally introduce the divinity to point a contrast. From one passage it would appear that "Liberal Socialism" means that typical professorial dream —small proprietorship. But of its divinity he has no doubt. "The place of psycho-analysis," he tells us firmly, "is by the side of 'Liberal Socialism.'"

Professor Kolnai has a very pretty imagination. In one passage he says finely: "The womb is the prototype of all prisons and the umbilical cord is the prototype of all chains." He applies all the correct psycho-analytical formulæ with the deftest touch. Thus, the idea of salvation of the world by the proletarian class he discovers to signify "the wish fantasy of the son, who is inferior in power to the father, and longs to gain possession of the mother (earth, land, the world)." Red and White, he observes, as symbolising Bolshevism and counter-revolution, simply "express the contrasted pair, man and woman, and the contrasted pair, blood and bone." And in a charming passage on the British national character he comes to the conclusion that "the peculiar hypocrisy of the British (not wholly antipathetic), the hypocrisy which is so manifest in British foreign policy, becomes unquestionably more comprehensible to one who is acquainted with the manifestations of British prudery"; he further observes acutely that "there is a point of contact between navalism and sexual symbolism; the 'ship' is of the feminine gender."

The solid Marxian student will not lack matter to chew. Thus he may learn that Bolshevism is "a retrogressive dissolution of paranoiac rigidity, to enable the adherents of the movement to draw nearer to their goal," or, if he prefers a simpler definition, it is "a peculiar feudalist middle course between the direct regression of anarchism and the paranoid regression of Marxian Socialism." And he will not fail to appreciate the ready accounting for his powers of reasoning that are so disconcerting to his opponents by the simple explanation that "the shrewd dialectic of paranoiacs is familiar."

It would be a mistake, however, to suppose that Professor Kolnai is lacking in a keen perception of the everyday realities of life. Thus he has a penetrating analysis of the position of the proletariat, in which he calls attention to the fact that "very important in the case of the proletarian is his poverty." This is very true.

There are some good chapter headings in this book: for instance, "Infantile El Dorado Fantasy of Communism." R. P. D.

THE LABOUR MONTHLY

A MAGAZINE OF INTERNATIONAL LABOUR

Vol. 1 15th NOVEMBER, 1921 No. 5

PRINCIPAL CONTENTS

THE LABOUR PUBLISHING CO., LTD.
6 Tavistock Square, London, W.C.1

PRICE ONE SHILLING

THE

LABOUR MONTHLY

A Magazine of International Labour

VOLUME 1 NOVEMBER, 1921 NUMBER 5

CONTENTS

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

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.

NOTES of the MONTH

Nothing about Washington—Three Years of Peace—The Collapse of a Civilisation—America and Japan to the Front—A Century of Progress—The End of Moderate Labour—Reparations and Debt—America Colonising Europe—Rebuffs to Russia—International Labour Marks Time—The Indian Trades Union Congress

IT will no doubt be a relief to our readers to learn that we propose to spare them the infliction of any disquisitions on the Washington Conference in the current issue. Those persons who may be excited on the subject by the short-lived clamours of the Press are recommended to read a little history. We have already dealt with the underlying issues of Washington before, and will return to them in the light of the facts next month. Meanwhile we believe it will be of greater value to survey the governing factors of the world economic situation to-day which lie behind the trappings of the scene upon the stage.

THE third anniversary of the armistice has brought an increase, and not a decrease, in the world's chaos. The facile hopes of 1918, and the more sober hopes of a possible recovery during 1919 and 1920, have given place to the black outlook of the coming winter. It is now a year and a half since the Supreme Council issued its Economic Memorandum, in which it declared that it looked with confidence to the "clear sign of renewed prosperity." Like Mr. Lloyd George to-day, the Supreme Council tried to find comfort in the fallacious parallel of the Napoleonic Wars, and thought that it could regard the worst crisis as over and look forward to better times ahead. Since that date British trade has fallen in values of exports from £130,730,738 to £63,842,222, and unemployment has increased from under half a million to two millions. Twelve months ago the Brussels Financial Conference was sum-

moned to survey the situation. It found in the leading European countries which it surveyed a ninefold increase in debt, an expenditure on the service of debt of one-fifth to nearly one-third of the whole national expenditure, an expenditure on armaments of one-fifth of the total national expenditure, budgetary deficits in every country but two, and an adverse balance of trade in every country. It recommended as the only hope of salvation the balancing of expenditure and revenue, the limitation of armaments and the reduction of debt. To-day the British National Debt has increased since the beginning of the current financial year by £143 millions to a total of £7,787 millions; the budget shows a deficit of £60 millions; the expenditure on armaments continues and new programmes have been laid down; and the French Chamber Finance Commission has recently issued an ultimatum to the Government on its inability to make the budget balance. On the general situation the *Manchester Guardian Commercial* writes: "There is little that can be done but await events. If the ruined countries can in the course of the next year or two screw up their courage to meet expenditure out of taxation, the position perhaps is not so desperate, though all hope of reverting to pre-war parities has now disappeared. If not, the ultimate result can hardly be imagined."

WHETHER there are any who still believe that we are only witnessing a passing storm after the disturbances of the war, and not the slow cumulative collapse of a whole system of civilisation, would seem a question unnecessary to ask were it not that the last speech of Mr. Lloyd George reveals him still clinging to the parallel of the Napoleonic Wars. Historical parallels are dangerous things, and they will not help us much in the practical difficulties of the present. The post-Napoleonic Europe was an essentially agrarian society; England was a country with a population of ten millions; and the whole condition of things bore no relation or analogy to the vast helpless industrial populations of to-day and the delicate industrial mechanism of twentieth century society. To-day the war has shattered a Europe that was the customer of one-third of British trade abroad; England finds herself the debtor of an America

whose emergence into world politics is an entirely new factor in the situation; the awakening industrialism of Japan and Asia is threatening already to curtail the extra-European markets; and in Russia the revolutionary challenge of a new power constitutes a standing breach in the system of capitalist States. All these are novel factors which constitute a situation without parallel. And they are factors which cannot be counted on to pass away in the course of a few years. We need to adjust our calculations to a condition of things in which the pre-war world is gone for ever. Whoever uses analogies from the pre-war world is living in an idle dream. Before the war British exports amounted to six hundred millions, and of these two hundred millions or one-third went to Europe. In 1920 this proportion rose to 40 per cent., owing to losses in the extra-European markets. The European market has become of paramount importance to British trade. And the European market to-day has been shattered by the policy of the Government, a policy that, in spite of platonic aspirations after better trade and economic recovery, is still being continued, maintained and extended, as in the latest instance of the decision over Upper Silesia with its disastrous effect on the German exchange. The total of British exports in the third quarter of 1920, calculated in money values of 1913, stood at 81 per cent. of the total for the same period in 1913. To-day the figure for the same period is 46 per cent. British export trade, on which the industrial life of Britain is maintained, has fallen to under half the pre-war size. And in this condition Britain has to provide a budget which would have been staggering before the war, and to find interest on debt amounting to four hundred millions a year.

EVEN more important in the general situation is the rise to power of America and Japan. The war enabled America to come to the forefront as a world industrial and financial power: the tremendous profits of her war trade, the intensification of production without the destructive effects of a prolonged struggle, the development of a merchant marine by a twentyfold increase in shipbuilding, and the transference from a position of debtor to that of the world's creditor, left her far in front of the war-worn

European countries and able to extend her economic influence and financial penetration to every quarter of the earth. In 1913 Britain still led the world's trade, and America came second with a total export 97 per cent. of the British total. In 1920 the value of American exports was 126 per cent. of the British figure. This was in 1920, the boom year of British post-war trade. What the figure will be in 1921 can only be guessed, for the full returns are still to come. No less important, because of its potential significance for the future, is the industrial development of Japan and India. In 1905 the paid-up capital of industrial and commercial companies in Japan was £97 millions; in 1914 it was £206 millions; in 1918 it was £414 millions. Moreover, the expansion of Japanese trade has been above all in the direction of the British preserves—India and Australia. Between 1919 and 1920, although Japanese exports as a whole decreased in money value, her exports to British India increased by 60 per cent. and her exports to Australia increased by 90 per cent. Finally, in India the average new capital per year during 1910-1914 was £12 millions; in the year March, 1919, to March, 1920, it was £183 millions. All this new industrial development inevitably breaks down former British monopolies and positions of predominance; and meanwhile Britain is saddled with a war debt and an imperial expenditure that leaves little strength for effective competition. These factors in the situation cannot be exorcised by the wizardry of Mr. Lloyd George; nor are they temporary factors of an abnormal disturbance. They are there, and they are likely to continue and to increase. To repudiate the war-debt would be to break the basis of capitalist finance. The question slowly forces itself upon us: While capitalist production continues, *will there ever be full employment in this country again?*

ONE hundred and seventy-six thousand miners are stated to be out of work. If they were on strike, how freely they would be scolded for robbing the country of its life-blood! But to-day it is capital that can find no use for their services. How many of them will ever go down the pit again? Mr. Lloyd George has pointed to emigration as the way out. But of what use is emigration

to countries no less stricken with unemployment? The workers may change their country; but they cannot emigrate from capitalism. Two years ago, when the Peace Treaties were drawn up, Mr. Hoover declared that ten or twelve millions of the population of Germany and Austria would no longer be able to find maintenance in their homes and would have to emigrate or die. When that prophecy was made, how many thought that it would so shortly rebound upon this country, and that this country, too, would find its millions whom it could not employ and to whom it could only offer the spurious hope of emigration? This is the pass to which capitalism has brought two of the richest countries in the world after a century of development and intensified production. In the midst of wealth, in the midst of the myriad appliances and inventions for multiplying twentyfold the productive power of every worker, the populations cannot find the means of life. It is not that they are too many for the wealth that can be produced, as the birth-rate theorists try to make out. During the past century the increase of wealth has been far greater than the increase of population: the production per head has increased and not decreased. It is that the system of capital is unable to organise the work of production, and the workers have to walk the streets instead of producing the goods they so bitterly need.

THE effects of this situation on the labour movements of Britain and of other countries are likely to be greater than can be easily foreseen under the present depression. For it means the end of all hopes of adjustment under the present system. Of what use to be moderate, if moderation can bring no reward? To-day the trade union movement is beaten and without hope. The latest cut in wages, the engineering reduction, has been accepted by a ballot in which the greater part of the members abstained from voting. The trade unions are financially desperate and faced with the phantom of bankruptcy. Recently the National Union of Railwaymen confessed to an overdraft of a quarter of a million and the continued paying out of six thousand pounds a week. This cannot go on for long. The old machinery, the old politics, are broken down. But "reasonableness" and the acceptance of cuts in wages

will bring no improvement, for to this process there is no end. It is not a question of wages that is the determining factor in the present situation. Wages may fall, as in many cases they have already fallen, to the 1914 level and below it. This will not get rid of the war-debt, the ruin caused by the war and the peace, and the destruction of markets. Mr. W. L. Hichens may declare to the members of the Coal and Iron Exchange that wages and prices must come down to a "competitive level." But it is Mr. Hichens and his friends who have created that competitive level by the impoverishment and starvation of Central Europe. After reducing the workers of their rivals to the coolie level, they now call upon their own workers to come down to the same level. The policy of Mr. Hichens means that the workers of the world are to chase one another down the gulf of misery without end. And the end to that will not be what Mr. Hichens and his friends may expect.

THERE is no sign or prospect that America is prepared to forego one inch of its present economic advantage. The repeated appeals of British representatives for the cancellation of the debt, of which the most conspicuous recent example has been Mr. Churchill's speech, have fallen on stony ground. The latest suggestion has been more subtle in character. Mr. McKenna, speaking at Chicago, began by making the familiar point that the effect of the German indemnity on British trade has been ruinous. "We lose more in our country," he said, "by the existence of two million unemployed than we shall ever get in value from German reparations over a period of thirty years. . . . When we see these things we really begin to doubt whether it is for the benefit of the United Kingdom that reparations should be paid." This is in itself a sufficiently interesting picture to compel a moment's pause. Here is a simple financial point which was made years before the war by Mr. Norman Angell and was familiar to every Socialist. And here is Mr. Reginald McKenna, ex-Chancellor of the Exchequer and Chairman of the London Joint City and Midland Bank, who after three years' ocular demonstration of the terrific consequences of the reparations policy "begins to doubt" whether reparations may not after all have been a mis-

take. So much for the intelligence of our financiers and statesmen, who are supposed to be practical men. It has needed a world in ruins for a glimmer of light to pierce the heavy "practical" brains of the Churchill-McKenna type. The operation is too expensive to be repeated.

BUT to return to the immediate point of Mr. McKenna's speech. He pointed out that the argument as to the effect of reparations might equally be applied to the payment of debts. It was open to question "whether the debts of the Allies to us, if paid, might not prove rather a curse than a blessing." Personally he was in favour of cancellation. (It would be interesting to know if Mr. McKenna has thought of applying this point of view to Russia.) And then came the suggestion of the conclusion. In speaking of cancellation, he assured his American audience, he was not of course thinking of the American debt. The American debt would, of course, have to be paid; and it would be paid "in the form of commodities, as that is the only way in which foreign debts can be paid if they are to be received at all." And with that subtle appeal to American self-interest in favour of cancellation he left it. But America shows no signs of being moved. Only a short time ago the United States Secretary of the Treasury, Mr. Mellon, brought before the Senate proposals for the funding of the foreign debt, which amounted to ten billion dollars, nine-tenths of this being European, and professed his expectation that interest could begin to be paid in about a year. It is clear that the fear of the fate of the creditor and indemnity-receiving country is not held by America. What, then, is the American policy? It cannot be the desire to break down her tariff walls by an influx of cheap goods. It cannot be the desire to add to the mountainous pile of gold already shipped over during the war and since. It cannot be the desire to lose by the impoverishment of Europe a market which, if not absolutely essential, is at any rate of major importance. There is only one line of explanation of American policy. The impoverishment of Europe may damage America in many ways, but it gives her the world economic supremacy which she is seeking. The low exchange may prevent trade; but it places the industries of the European countries at the

mercy of American finance. How far American financial penetration of Europe has already gone it is impossible to say. Every day brings news of fresh deals and concessions, and the formation of subsidiary companies or affiliations in one country or another. A recent issue of the *Stock Exchange Gazette* gave warning to its readers, who were still obsessed with the German peril in industry, that the true direction to look for the alien grip over British industry was the United States of America. Not long ago an article by Mr. Philips Price in our pages spoke of Germany as the coolie plantation of Europe. But this process is itself only part of a still bigger process overshadowing everything else to-day, by which Europe is becoming the coolie plantation of America. And that is the direction in which Mr. Hichens' policy of "competitive wages" is helping to take us.

MEANWHILE, what of the direction in which Europe might find its economic balance to face America—the direction of Russia? Here the past month has shown an unhappy reversion to the original policy of negative and fruitless hostility, with even some suspicion of attempts to revive again active hostility. When the Brussels Conference for Russian Famine Relief met in the beginning of October, the British representative, Sir Philip Lloyd-Graeme, was the first to demand that no concession should be made to the Bolsheviks until they had formally recognised the debts contracted by the former Russian regime. The proposal was adopted, Italy dissenting; in this way relief was effectually blocked; and so was completed the sorry tale of the Allies' action in relation to the Russian famine. A week later Sir Robert Horne, Chancellor of the Exchequer, came out with a speech which was an open attack on the whole Russian trade agreement. With considerable candour he revealed that the whole object of the Russian trade agreement had been to destroy Bolshevism, and that that object had failed. "The best way to break down Bolshevism in Russia was to penetrate that great country with honest commercial methods. . . . But that plan has been defeated by the Russian famine and also partly by the fact that the extremists in Russia have been more anxious to spend their gold on propaganda than to ex-

change it for the goods that they require." He considered that it was useless to send goods to Russia: "It is perfectly certain that they have got nothing to give in exchange." This outburst was too much for the British Government, which has no intention of breaking the agreement on the eve of an election: and on October 19 Mr. Lloyd George delivered a speech in the House of Commons which was a virtual reply to his own Chancellor of the Exchequer, in which he declared that the value of trade with Russia from January 1 to August 31 of this year had been £3,150,000, and that he anticipated that trade by the close of the current year might amount to £5,000,000 or £6,000,000. On October 28 the Russian Government issued a Note to Britain on the subject of the debts, in which they reaffirmed their old position that they would be prepared to recognise the pre-war Tsarist debts in return for general peace and recognition and a due consideration of counter-claims.

THE economic situation at present overshadows the International Labour movement, which has still to re-awaken from the lethargy of depression. The opportunity has been taken by the British Labour Party Executive to carry out the instructions of the Geneva Congress of the Second International and hold a Conference with the Executive of the Vienna International in the hope of unification. But these hopes were destined to be defeated, not so much from any sign of serious difference of opinion, as from the consciousness that so large and vital a part of the Labour movement was outside in the Communist ranks. The Vienna International felt that it would be impossible to hold a general conference without the Communists; the British Labour Party felt that it would be impossible to hold one with them. So the Conference ended without result. The Italian Socialist Party Congress at Milan has been equally unproductive of results. Serrati still dominates the Party, and was able to defeat the proposals of Turati and the reformists for coalition with the capitalists; but the demand of the Third International for the exclusion of the reformists was still refused, though powers were taken for their exclusion if occasion should arise. The Italian Socialist Party thus remains outside the Third International, though still

professing its adhesion to its principles. The most noticeable change was the growth in power of Turati and the reformists, who now secured a vote of 19,916 against 47,628 for Serrati.

THIS month will see the second meeting of the Indian Trade Union Congress. Indian Labour organisation is still so recent that many in this country are not yet aware of the existence of the Indian Trade Union Congress, and there is indeed heavy work in front of it before its organisation can be regarded as on a sound footing. The Congress was founded in the autumn of last year; and the contributor of the article on Indian Labour, which we print in the present issue, claims that at that time 600,000 workers in India had already been organised. This may possibly seem a too generous estimate; but it is important to remember that organisation in India cannot in the nature of things mean the same as organisation here. The wretched conditions make the financial basis of benefit trade unionism impossible; but the Indian workers have already shown their ability for combination in mass-strikes and prolonged resistances of as heroic a character as any in Labour history. There is now talk of introducing measures for legalising Trade Unionism. At the opening session of the Legislature at Simla in September the Viceroy foreshadowed legislation to this effect. But the most wary eye will need to be kept on the actual legislation proposed. The phrasing of the Viceroy's statement is ominous. He said: "The question of giving actual protection and legal status to those Unions, which are genuine Labour organisations, is at present under consideration." It is impossible not to be conscious of the veiled threat in this statement. If the object of the new legislation is to give legal status and protection to tame "company unions" to the exclusion of existing militant union organisations, then the real effect of the Bill will be, not to make Trade Unionism legal, as will be widely trumpeted abroad, but to make genuine Trade Unionism illegal. Therefore it is essential that the British Labour movement shall watch with the utmost care the proposed legislation in India, in order to insist that it shall give genuine Trade Union protection.

A CRITIQUE OF GUILD SOCIALISM

By W. MELLOR

SOMEWHERE about 1911 Guild Socialism was born. Who were its parents is to this day a matter of considerable debate. Some authorities declare that it was the sole child of the united genius of Messrs. Orage and Hobson, whilst others affirm that its father was State Socialism of the Fabian blend and its mother French Syndicalism. Personally I incline to the view that both the former and the latter claims fail to hit the mark.

Guild Socialism, or, to give it its more respectable title, National Guilds, was thrown up as a theory of reorganisation in this country at a time when, through the operations of capitalism, the machine-like character of work was beginning to change the psychology and attitude of the workers. There were stirrings inside the economic world and certain Utopians, conscious of this movement, took hold of it and attempted to give it a philosophy.

The Fabians had recognised and utilised for their own needs the growing concentration of capital, adapting such little bits of Marx as seemed to them useful. They had declared that the consolidation of private enterprises into trusts and cartels was a necessary and salutary process in the development of society, and that capitalism was in this way preparing the ground for State Socialism. The more the organisation of business became concentrated in the hands of a few the easier, they argued, would be the transference of that undertaking to the community as represented by the "democratic" institutions within any given society. But the Fabians, being by nature economic chess-players of an inferior kind, always forgot the pawns. Now the pawns happened to be workmen, who wanted to know where they came in in this reorganisation. Had they no rights? They

knew they had got duties. The reply of the Fabians was simple—"You look after your duties and we will look after your rights."

Naturally enough the workmen did not like this simple method of dealing with them. They began to claim for themselves what became known in the jargon of the day as "status in industry." Industrial unionism and, in a lesser degree, revolutionary syndicalism, became popular. Over against the organisations of capitalism, over against the organisation of the consumer (the "state" of the Fabians) men began to work for the erection of organisations of the producers, though the Soviets had not yet been born. The advanced sections of the working class, tired of being used both by capitalists and reformers, began to reorganise their own defensive organisations. Their motto was changed from "A fair day's work and a fair day's wage" into "All power to the producer and all surplus value to its creator, the worker."

Now the Fabians disliked this movement as much as they professed to dislike capitalism. The Guild Socialists, most of whom had been reared on the confines of, if not actually within, the Fabian nursery, disliked Fabianism more than they hated capitalism, and so they welcomed the new movement and proceeded to use it for their own ends. They wrote books and pamphlets, delivered lectures and were generally busy. They wanted to find a midway position between the idea of a democratic state representing the consumers as the sole authority and the idea of democratic industrial organisations representing the producers as the real machinery of non-capitalist society. They began as compromisers and they have been compromising ever since. By a curious irony of fate, Guild Socialists are really the Fabians of the Twentieth Century.

Anyone who has been closely associated with the inner workings of the National Guilds' League (as I have) must recognise that, from the very start, ineffectiveness has been its lot. Never on any fundamental issue of practical poli-

tics has there been any unity of thought, let alone action. Always the desire to avoid a "split" has been greater than the will to recognise errors and mistakes or the will to declare either for or against the new formative revolutionary impulses loosed by the Russian revolution. At the best of times National Guildsmen were always a small coterie attempting (and in a measure successful in the attempt) to wangle the working class movement; at the worst they have been representative of nobody but themselves.

There can, however, be no question that between 1911 and 1917 Guild Socialism grew and waxed fat. Every respectable reformer, every bourgeois Labour Party candidate, hailed with delight this new doctrine, which seemed to promise revolution without revolt. They were all Guild Socialists then. The Press began to be full of talk of the need for "bringing the workers into partnership," the need of "control," "the human side of labour," and all the other clichés produced by the prolific writers in the *New Age* and elsewhere. It was *the* doctrine of the middle-class man. Fabianism was dying and the Russian Revolution had not come. Here was a theory which seemed to have taken the best out of all the existing proposals, and that seemed to hold out, if not to the worker, at any rate to the workers' advocates, hopes of kudos and ultimate power.

Then came the Russian Revolution, and since 1917 Guild Socialism has been constantly and progressively waning in power. Its only prophet to-day is Mr. Cole, for both Mr. Orage and Mr. Hobson have, in their various ways, repudiated their offspring. The one now seeks his El Dorado hand-in-hand with Major Douglas, the other, apart from his practical activities as an exponent of the Building Guild, is a Communist.

It is no mere chance that the beginnings of the Russian Revolution coincided with the decline of Guild Socialism. The fundamental weakness of Guild Socialism always was that it had the very vaguest idea of how it proposed to get to the beautiful goal that its theorists had sketched. The

Russian Revolution did, at least, point one way of achieving a fundamental change in the organisation of a great country. Guild Socialism was concerned with the hereafter; the Russians were concerned with the present. Guild Socialists spent their time painting pictures; the Bolsheviks used their energies in organising revolution.

Inherently, the Guild Socialist movement, whether as expressed through the *New Age* or through the National Guilds' League, was weak and ineffective, because it had no practical answer to the question, "And how are we to get the things you say we ought to have?" Obviously, it would be nice to live in a world in which there was freedom in the workshop. Obviously, no one but a fool (or a Chesterton) would question the fundamental merits of a society in which the word "master" was no more heard, for every man in his heart of hearts really wants to live in something like Morris's Utopia. But hereafters cut no ice with the ordinary workman. He has no time to dream, and the pressure of capitalism brings home to him every day the feeling that something must be done. That something the worker feels must be done immediately, and whatever else the Utopia building Guild Socialism was, or is, it cannot pretend to be immediate.

Ever since the formation of the National Guilds' League there have been three fairly clearly defined tendencies within that organisation. First, the really respectable people who wanted either to go back to the Middle Ages or to form an alliance with orthodox Christianity, but, above all, to avoid anything "nasty." At the other end were those who, being middle class by chance or by education, were yet really cognisant of the gradual extinction of the section of society in which they had been born. They accepted Guild Socialism because they felt that it was, at any rate, an advance on previous ideas, and was fundamentally revolutionary in its aim. They were more concerned about smashing the wage system than they were about attempting, under the present system, to erect organisations to withstand the

shock of a revolution. The industrial ideas which the Guild Socialists had taken from the Industrial Unionists seemed to offer a method by which, through the organisation of the working classes, capitalism could be broken down.

But even this section (to which I belonged) still had hankerings after the old Fabian gods. They liked democratic institutions, parliament, town councils, etc. They thought them fine and enduring, and destined to play a great part in their future Utopia. Like the respectable section of the movement, they were very strong upon "function." Every organisation was to be judged according to the function it performed, and quite arbitrarily they divided the two main functions of man into eating and working—it was the consumer and the producer who were jointly to rule the roost. They have lived to see the error of their ways.

In between these two came another section—the real middle class of the Guild Movement. Unlike the respectable Guild Socialists, they really were concerned about the position of the worker, not from the sentimental but from the revolutionary point of view. They did hate capitalism; but they were under no illusions about the necessity of machine production. Emphatically they did not want a society in which everybody made their own boots, but equally they wanted to avoid a society in which most bootmakers only made eyelet-holes. They were very insistent upon the need for freedom in the workshops, and, in their effort to exalt freedom and to retain mass production, they swayed between the mediævalists and the revolutionaries. They are still swaying. To this section belonged the strongest theoretical influence—Cole.

No one will deny the capacity displayed by Mr. Cole, nor the nimbleness of his mind—a mind which, by the way, is not nearly simple enough—and even at the risk of seeming unduly personal I must stress the part played by Mr. Cole in Guild Socialism; for if one can understand his psychology, one can understand the real failure of the Movement to which he belongs. Like him, it is neither revolutionary

nor reformist. It is neither Utopian nor realist. It hovers in a state of uneasy equilibrium between the mediævalists and the revolutionaries. It likes the idea of home-spun clothes in its heart, though intellectually it is convinced of the absurdity of a world in which home-spuns are the only wear. Equally it likes to contemplate the idea of a break, sudden and definite, with capitalism, but it hates the thought of the suffering and trouble entailed in the process of that break. In short, it is fundamentally pacifist, and therefore is constantly up against the difficulties of that school. One moment it is prepared to do anything to get rid of the things its intellect and emotions alike condemn; the next it halts because to get rid of them means the utilisation of force.

This contradiction between action and theory the middle section of Guild Socialists has never been able to resolve. It has always sought to reconcile irreconcilables. It has sought for harmony at the expense of effectiveness.

How clearly this is the case can be shown by the various changes through which the "objects" of the National Guilds' League have gone. It started with the idea of a partnership between the State (more or less as it is) and a re-created trade union movement. Pressure of events and pressure from the revolutionary element inside the organisation began to create doubts as to the inviolability of the State, and, as a result, the word " democratic " made its appearance in front of the word " State."

This was a concession to the left wing elements of the movement, which the centre was cute enough to devise, but which really left untouched the fundamental disagreement. What was really at issue was not the question as to whether the "State" in the future was or was not to be democratic but as to whether there would in the future be any "State" at all. The left kept up the pressure. As a means of overcoming this further difficulty, the centre propounded the theory that the State was really a functional organisation representing certain of man's activities, but not, in itself, all inclusive. What was wanted was many organisations, all of them repre-

senting some particular function. Once again the objects of the League, from being comparatively simple—the ending of the wage system and the establishment of a partnership between the organisations of the producers and the State—became highly complicated, and to-day the National Guilds' League stands for the abolition of the wage system, the establishment of freedom in industry through the industrial organisations working in conjunction with other democratic functional bodies.

This was a concession to both the right and left wings. It was a concession to the right because it put down in black and white the acceptance of their mistrust of centralisation; it was a concession to the left because it recognised their criticism of the validity of the "State" as a permanent machine. Naturally enough, it satisfied nobody except its author. Both the left and right had gone to the limit of compromise. Inevitably the break began.

The revolution in Russia forced a discussion, not on the question of exactly how many organisations there would be in future society, but how an organisation that called itself revolutionary proposed to achieve any change at all. It was the failure of the National Guilds' League to give a definite and clear reply to this problem that hastened its decline. Both the left and right were too strong to prevent either of their attitudes being adopted by the League, and the centre was too hesitant to throw its weight either to the left or right. The result was another compromise.

The eyes of the National Guilds' League are still fixed on what is going to happen the day after the revolution; how exactly it proposes to work for the revolution it has not made up its mind. It talks of soviets, but is careful to explain that soviets are probably not applicable to Great Britain. It has dropped its whole-hearted support of the State, but still clings to democratic institutions. It still advocates the reorganisation of trade unionism on industrial lines, but hesitates to recognise the fact that, if once those industrial organisations are really used to end the domination

of private capitalism, nothing can prevent a revolution in which victory will go to those who have the greatest power. It still thinks in terms of peaceful change, and advocates proposals that involve war.

Guild Socialism, in so far as it has any standing at all, has answered the needs neither of the left nor of the centre—though it has tried to placate both. Always its propaganda has failed to arouse any enthusiasm among the men in the workshops or at the coal-face, and it has depended for its success entirely upon the skill of its advocates in persuading the "heads" of the movement to adopt phraseology without in the least adopting Guild Socialism. Like Fabianism, its public and advertised power is out of all proportion to its real and substantial power inside the movement. Middle-class ingenuity gave to it—especially by an adroit manipulation of the Press—a fictitious strength during the war period. That strength has been proved illusion since the stress of war ended.

No one will deny that the ideas of the Guild Socialists are interesting and of value to the theoretical side of the Labour movement. Doubtless in the future many of their less complicated proposals will be put into operation. But to say this is not to destroy the truth of the central criticism. Guild Socialism is essentially Utopian in its outlook and unsuccessfully Fabian in its methods. Fabianism flourished when the Labour movement had no real substance, and when the only people that mattered were the few leaders. It captured the leaders and so collared the movement. Guild Socialism, in its attempt to apply the Fabian doctrine of permeation, has failed, because whilst it appealed apparently to the rank and file, it was really only concerned with the leaders—and the leaders have ceased to lead.

AMERICAN IMPERIALISM

By SCOTT NEARING

THE surge in the direction of a new world order, which was felt so generally during the closing months of the war, has met with a number of stupendous obstacles. One was the Peace Conference; a second was the disorganisation of the workers; a third is the United States. Perhaps, in this case, the last should be mentioned first.

American history is full of imperial rumblings, and the conduct of public affairs in the United States since the War with Spain (1898) has been such as to give the lover of freedom many an uncomfortable moment, but the paralysing universality of the malady did not unmask itself until the election of November, 1920. Then even the dullard could not fail to realise how completely the imperial madness had gripped the country.

The 1920 Election was a record breaker. Never before had a Presidential candidate received so large a plurality over his chief opponent. Mr. Harding was a man little known outside of his home State (Ohio); he had made a negative record in the Senate; he was openly acceptable to the chief business interests of the country. Unlike Roosevelt, Mr. Harding had little personality, and equally unlike him, he had never attacked a vested wrong, nor taken a boldly unpopular stand; yet when the votes were counted, Harding had a total of 16,138,914, as against 9,142,438 for his nearest opponent. The greatest plurality previous to this election was two and a half millions, given to Roosevelt in 1904.

The Harding vote of 1920 was not, in any large measure, a repudiation of Wilson, although that element was unquestionably present in the returns; nor was it merely an index of the general reaction which later elected Lewis as

President of the Miners and Gompers as President of the American Federation of Labor. The election of Harding was an imperial affirmation. It was a mandate to the Republican leaders and their big business backers to continue the policies of McKinley and Roosevelt. It was a response to the toast that had been uttered so loudly and so frequently during the war, "God's country! America! Greatest among the nations!"

This point of view still dominates the thinking of that portion of the American public which is able to make its voice heard above the strains of the Star-spangled Banner. The psychology of imperialism has survived two years of war and more than a year of the severest industrial depression that has been experienced by the present generation.

The easy explanation of this imperial psychology, which has so completely carried away the people of the United States, is that the economic masters of the country have been able to mould public opinion through their control of the Press, the schools and the cinema.

And in one sense the position is well taken, since the United States is supplied with papers and films about as completely as the human body is supplied with capillaries. There are no comprehensive figures on cinema attendance. The leaders of the industry boast that fifty millions of people see a film each week, though obviously many of them are repeaters. Ayers' Newspaper Directory gives some detailed facts on the Press. There are 20,941 newspapers published in 10,160 cities and towns of the United States. Of these papers, 2,374 are dailies with a combined issue of 31 millions of papers per day—12 millions of morning editions and 19 millions of evening editions. This provides one and a half daily papers, on the average, for each family in the country. No figures are given as to the circulation of the 18,567 semi-weeklies, weeklies, bi-weeklies, monthlies, etc., nor is there any definite information concerning the host of weekly and monthly magazines, some of which—like the *Saturday Evening Post*, the *Cosmopolitan*, and the *American*—print a million or more of each issue.

The propaganda that is not put over to the twenty-two millions of children who attend the public schools is assiduously ladled out in the film and through the Press to the tens of millions who spend a part of each day looking and reading. This immense network—school, films and Press—controlled in almost every town and city by the local board of trade or chamber of commerce, and dominated nationally by the more influential banking syndicates, forms a channel of communication through which the masters of economic life speak incessantly to the people.

The school, the Press, and the film are potent factors in selling imperialism to the American people, but they would be useless were there nothing at hand to sell.

American imperialism is built on deep-laid economic foundations, whose presence was scarcely suspected by most students of nineteenth century economic history. Occasionally someone like Senator Lodge, of Massachusetts, made a speech in which he insisted that the United States, by the mere force of its economic position, must become the leading world power, but there were few who took such comments seriously. It was not until the World War that a sense of imperial virility and a yearning for imperial prestige began to spread among the rank and file, even of the economic masters of American destiny.

There are three extensive and homogeneous economic areas in the temperate zones. One is in Eastern Asia, the second is in Central and Southern Europe, and the third is in North America. In each one of these areas, the climate is suited to the development of a modern civilisation; resources are sufficiently varied and sufficiently abundant to make a semi-economic independence possible; the food areas are adequate to maintain an industrial population; transportation is relatively easy, and it would therefore be possible for the people occupying one of these areas to remain isolated for some time from the remainder of the world without suffering the acute hardships that are incident to a blockade.

For the moment, the North American area is the one most

available for the development of a civilisation. The Chinese are not sufficiently advanced; Europe is too much divided by lines of nationality, race, etc. The American people feel this as one of the great sources of their strength and independence.

Who are the "American people"? The bulk of the early immigrants to the United States was from Great Britain and Germany. The records of immigration, kept officially since 1820, show that between that year and 1840 the immigrants from Europe numbered 594,504, among whom there were 358,994 from the British Isles and 159,215 from Germany, making a total from the two countries of 518,209, or 87 per cent. of the immigrants arriving in the twenty year period. During the next twenty years (1840-1860) the total of immigrants from Europe was 4,050,159, of which the British Isles furnished 2,386,846 (over half), and Germany 1,386,293, making, for these two countries, 94 per cent. of the total immigration. Even during the years 1860-1880, 82 per cent. of those who migrated to the United States were reported from Great Britain and Germany. American immigration from 1820 to 1880 was Anglo-Teutonic, and the "true American" of the present generation is, in the great majority of instances, descended from the two most imperial peoples of Europe.

If there is anything in heredity, the "real Americans" should be imperial to the bones.

But there are other and far weightier reasons for American imperialism. These descendants of empire builders, occupying three millions of square miles of homogeneous territory in one of the garden spots of the world, have already established themselves as one of the chief producers of the "good things of economic life." The country is amply equipped with coal, petroleum and water power; iron, copper, zinc, tin, silver, and other metals are found in abundance; from coast to coast, but particularly in the Mississippi valley, there is opportunity for the raising of food, cotton, and other agricultural supplies, and the climate from North to South is sufficiently varied to permit of a great range of vegetation.

Then there are the transportation facilities that have been established—more than a third of the world's railroad mileage is in the United States; there, also, is more than a quarter of the world's telegraph mileage, and one-sixth of the post offices of the world. The United States has only 6 per cent. of the world's population and 7 per cent. of the world's land, yet the country produces:

20 per cent. of the world's gold,
25 per cent. of the world's wheat,
40 per cent. of the world's iron and steel,
40 per cent. of the world's lead,
40 per cent. of the world's silver,
50 per cent. of the world's zinc,
52 per cent. of the world's coal,
60 per cent. of the world's aluminium,
60 per cent. of the world's copper,
60 per cent. of the world's cotton,
66 per cent. of the world's oil,
75 per cent. of the world's corn,
85 per cent. of the world's automobiles.

Perhaps the most striking of the recent economic phenomena in the United States is the growth of the automobile industry. The industry had its start at the time that the United States was just beginning to forge to the front—in the years following the Spanish War (1898). In 1900 there were 13,524 automobiles in the country, 5,000 being produced in that year. By 1910 the number of cars had risen to 444,349, with an annual production of 178,557. In 1920 the annual production had grown to 2,200,000, and the total number of cars in the country had increased to 9,118,000. At the present time it is estimated that there are over ten millions of motor-cars and trucks in use in the United States—or 90 per cent. of those used throughout the world. The existing plant equipment is capable of producing 2,500,000 cars each year. This huge industry and this immense capital equipment have been created during the past twenty-five years.

These economic strides have been made possible by just one thing—the presence, in the country, of an annual economic surplus, which, in 1918 and 1919, amounted to something like twenty-five billions of dollars. The mere fact that the total annual income of the United States rose from 9 billions in 1890 to 74 billions in 1920 gives some idea of the rate at which the surplus has been piling up. The standard of living has risen during that time, particularly for the well-to-do, but it has not increased nearly so rapidly as the volume of capital engaged in transportation and manufacturing.

No matter what degree of isolation the traditions of a country may impose, no matter how anti-imperial a people may be, the presence of so huge a surplus under the present economic system leaves the ruling class no choice—it must follow the path of imperialism or wreck the home machinery.

The American ruling class has been following an imperial path for a very long time. Little has been said about it, but the leaders of public policy have acted with true imperial understanding—substituting deeds for words.

The descendants of European imperialists, who constitute the "real Americans" of the present generation, have been engaged in the practices of imperial policy ever since their entrance into the North American continent. The history of the American Colonies and of the United States is a history of imperial undertakings and imperial triumphs.

The first imperial venture of the white men in North America was the conquest and subjugation of the American Indians. Numerically the Indians were never a great menace. They were inadequately armed and widely scattered in non-co-operating groups. Still, they had developed a standard of culture and an outlook on life that made them clash sharply with the widely differing social standards of the whites. Then, at the root of all of the difficulties, was the fact that the Indian was in possession of the land, which they would not sell because they regarded it as a gift from the Great Spirit. Like the air and the sunshine, the land was

considered a common heritage—the possession of the tribe.

The newcomers did not take kindly to this idea of common property in the common means of livelihood. Their standards of individual possession made them insist on buying the land outright, and in response to the simple Indian comment that "there is land enough for both," the white man shrugged his shoulders and plied the Indian with whisky.

When the whites came to the territory that is now the United States, the three millions of square miles belonged to the Indians. It required only about three centuries for the whites to gain possession of the whole area. Most of the transfers were made as the direct or indirect result of military victories, as the white tide swept across the continent.

The Colonists had a second grievance against the Indians. Not only were the natives unwilling to part with their land, but they were equally unwilling to work. From the earliest years, the labour problem had been acute in the colonies.

The hardy, venturesome types that made up the bulk of the early settlers were not willing to bind themselves to labour for others. Why should they, when the streams were filled with fish, the forests abounded in game, and land was to be had free for the asking? Indentured servants were tried, but their number was not adequate to meet the demand. The Indians were looked upon as a likely source of labour supply, but they consistently refused to work. They were sold as slaves, tortured, killed—still they remained obdurate. Their standards of life taught them that labour was degrading, and they adhered to these standards in the face of the fiercest coercion.

The Indians held the land. The Indians would not work. But one thing remained for the offspring of European imperialists—they took the land and wiped out the Indian civilisation.

The elimination of the Indians gave the Colonists land. The importation of African Negroes supplied them with labour. It is unnecessary to go into the history of the slave trade or of slavery. Suffice it to say that from 1619, when

the first black slave was landed in Virginia, until 1863, when the last slaver was fitted out in New York Harbour, the trade was carried on by the ships of every great commercial nation, and with immense profit to the traders. In order to secure the necessary supply, a whole civilisation on the West Coast of Africa was destroyed, and the unfortunate victims of the trade were carried over the ocean to labour in the rice swamps and the cotton fields of the United States.

By taking the land from the Indians and by destroying a civilisation in Africa, the Americans put themselves in possession of resources and labour. Thereafter the exploitation of the continent became a matter of mechanical detail.

Other difficulties remained, however. One of the finest portions of the continent, the "South-west," was in the hands first of Spain and later of Mexico. As the demand for new land grew more emphatic, eager eyes were turned to this rich territory. The matter was settled by the Mexican War (1846), which General Grant, who fought in the war and later became President of the United States, characterised in his Memoirs as "one of conquest in the interest of an institution," and as "one of the most unjust ever waged by a stronger against a weaker nation." As a result of this war, the United States secured more than eight hundred thousand square miles of territory, including some of the finest agricultural and mineral land on the continent.

Twenty years later (1865) the slave power was destroyed, and from that time until the end of the century the newly-empowered capitalist class was too busy with the building of railroads and factories to make any demonstrations against weaker neighbours. In 1898, however, as a result of the Spanish War, the United States acquired the Philippines, Porto Rico, Guam and Cuba. The last was granted a pseudo-independence, under the supervision of the United States. Article I. of the Treaty of 1904 reads, in part:—"The Government of Cuba shall never enter into any treaty or compact with any foreign power or powers which will impair or tend to impair the independence of Cuba. . . ." Article

III. of the same Treaty provides that: "The Government of Cuba consents that the United States may exercise the right to intervene for the preservation of Cuban independence, the maintenance of a government adequate for the protection of life, property and individual liberty. . . ."

The opening years of the new century found the business interests of the United States reaching out for markets and investment opportunities. With the growing volume of surplus in the hands of American business men, and the appropriation of the best of the continental resources, the attention of the business world was turned to Latin America, to Asia and to Europe.

Latin America was already protected by the Monroe Doctrine—a sort of "no trespassing" sign that carried with it the implication that if there was any exploiting to be done in Latin America, it was the United States that would exploit. The World War gave the Americans their first opportunity to apply the doctrine, and they proceeded with the military occupation of Santo Domingo, Hayti and Nicaragua in the most approved imperial fashion. The manner in which the Department of State intervened in the recent unpleasantness between Panama and Costa Rica is typical of the domineering position taken by the United States in its dealings with its weaker Latin neighbours.

At the moment, the centre of imperial attention is the Pacific. Most of the business men who have returned from Europe during the last few months have spoken pessimistically about the outlook there for American enterprise. On the contrary, those who have gone to the East have come back with glowing accounts of the possibilities there offered to the American exploiter. Then, too, the Philippines, lying so close under the heart of Asia, give the business men of the United States a sort of "natural" claim to a share of the Asiatic booty, and if the Japanese do not see the matter this way—so the argument runs—why, so much the worse for the Japanese! Throughout the country the feeling against Japan is covert; in the West it is very strong, and it would

take little urging to raise this anti-Japanese sentiment to the pitch of war-madness.

The United States is as imperial in its foreign policy as any other capitalist country that has attained a corresponding stage of development. Its people are imperialists by heredity and by tradition. Thus far the conquest of territory and the subjugation of weaker peoples has been largely confined to North America. Therefore it has attracted little attention. Then, too, the ruling class has been so much occupied with the mechanical detail of subjugating the material forces of the great stretch of country taken from the Indians and from Mexico that it has had no time, until very recently, to turn its attention to outside matters. Hence the "splendid isolation" of recent years. The War turned the tables, however, and the leaders of American business are engrossed with the familiar problems of imperialism—markets, trade, investments and battleships.

The position occupied by the United States is unique. No other united people possesses so great an expanse of territory, with an equal endowment of resources. Generations of comparative isolation from Europe and its conflicts have enabled the American people to build up the machinery of production with such good effect that the United States is practically without a peer among the producing capitalist nations. The dramatic entrance of the country on the stage of world trade is the best index of the relative importance of this producing capacity. In 1870 only 8 per cent. of the world's trade was done by the United States; by 1913 the proportion had risen to 11 per cent., and in 1918 it was 14 per cent. Before the war, the United States supplied only about one-sixth of the manufactures entering into world trade. The proportion for 1920 was about one-third. As a result of this expansion in productivity, surplus in immense quantities has been accumulating, and is now being expended to perfect the machine abroad and to entrench it at home. The Great War, which weakened most of the empires of Europe, strengthened the American Empire as it strength-

ened that of Japan. Add to these facts the imperial background of the American people, and there appears the completed picture of the United States as the super-dreadnought among the capitalist nations.

Here arises the inevitable question, How much imperialism will the American people stand?

The answer is easy. They will not stand so much as the people of pre-war Germany, or Great Britain, or France, because the world has moved ahead since those empires were founded. But at the same time it must be remembered that the American imperialists have a number of powerful arguments to aid them in their efforts to sell imperialism to the American people. First, there is the tradition of the "American Standard of Living," which is supposed to be higher than that of any other people. Then there is the sense of security that comes from the consciousness of thorough "preparedness." Again, there is the appeal to the pride of those who have an opportunity to live in the "greatest country on earth!" Last, but by no means least, there are the promises of material rewards for those who serve the system faithfully. Office boys are still becoming corporation officials, and country editors are still becoming Presidents of the United States. Millions are made by "movie" stars, and the small manufacturer or trader can still creep into the ranks of the great and the wealthy. To be sure, there are the six millions of unemployed at the present moment, and there are the farmers—particularly the renters—weighed down with the heavy costs of farming and rendered bankrupt by the fearful drop in the values of all farm products. There are the slums in the cities and the children at work in the mills. These things all must be weighed in the balance, but there is still the fond belief, lingering in the hearts of millions, that they or at least their children will get out of the tenements into the avenue, and the hope is fed by every device of the advertiser's art.

There is no sign, even in the midst of this staggering industrial depression, that the American people have lost faith in their Empire. On the contrary, the elections of Harding

and Gompers; the general acceptance of wage-cuts; the bitter opposition, particularly in the smaller communities, to any radical ideas; and the fervid nationalism that one encounters everywhere, lead inevitably to the conclusion that the American people are still on the up-grade toward nationalism and imperialism. How long it will be before they reach the top and get a wider outlook, circumstances must determine; but in the meantime it behoves the leaders of thought in all of the other great countries to look upon the United States as the centre of capitalist power, and the centre from which will be financed and directed those more ambitious projects looking to the conquest of new territories, the division of the spoils among the victors, the crusades against Communism and Socialism, and the organised effort to stabilise and preserve the present order in all its primitive ferocity.

THE REVIVAL OF ANTI-MARXISM*

By MAX BEER

I

THE news in the London *Times* of Marx's death (March, 1883) consisted of a few lines, printed in brevier, and conveyed to it from Paris by M. De Blowitz. London itself was oblivious of the "red doctor" who had shocked some of its citizens in the days of the Paris Commune. About a dozen people, mostly foreigners, were present at his burial in Highgate Cemetery, so that "the most impressive demonstrations," which Mr. Salter states (p. 4) to have taken place on that occasion, are but figments of a rather fertile imagination. But things have changed since that time and British writers are contributing their quota to the swelling Marxist literature, the rise and fall of which run parallel to the curves of the modern Socialist, Communist and Labour movements. The urge and surge of social revolutionary currents in any period or country since about 1880 has been accompanied by the growth and intensification of the controversy about Marxism.

Marx is the philosopher of the dissolution of the trading and commercial society which took its origin, in the latter part of the Middle Ages, in the cities and towns of Western and Central Europe, and which has reached its culminating point in the capitalist large-scale, centralised and concentrated industry. Marx, for all his philosophy of dissolution, was neither a woe-begone prophet, as Professor Nicholson asserts (p. 136), nor the author of oracular sentences, as Mr. Salter is fain to believe (pp. 248-49), but a social student of penetrating vision, of *savoir pour prévoir*, and buoyant with

* J. Shield Nicholson, *The Revival of Marxism*, London, 1920. (John Murray.)

J. R. Salter, *Karl Marx and Modern Socialism*, London, 1920. (Macmillan and Co.)

optimism, since his Hegelian dialectical or evolutionary conception of human history led him to think that the dissolution was organically linked up with the rise of a new system of society, whose conditions, laws, and modes of emotion and thought will be shaped in accordance with the interests of Labour; the coming society, the birth-throes of which we are now witnessing, will be increasingly controlled by the possessors of productive capacity and skill; those who make the goods will make the laws, as the Chartists used to say.

Marx, early in life, discarding all the current ideological pretensions, penetrated into the social foundations and found them to consist, neither of brute force nor feudal chivalry, neither of monarchical authority nor middle-class legal contrivances, but of productive agents. Nowadays, after the shock of the world war has laid bare the foundations of society, even the solitary idealist and romantic poet is anxiously asking for production and more production, perceiving that without it, without the effort and labour to produce utilities, the whole structure of society, from the shrinking and crumbling of its foundations, would tumble about his ears. But in the 'forties, when the problem of production appeared all but solved and the attention of the economists and statesmen was concentrated on exchange (free trade), it required no small amount of generalising power and realistic thinking to reduce the context and colour of the operations of the mind in all fields of human activity to the evolution and forms of organisation of material production. The successive ideological and political predominance of the various social classes in State and society depended, in the last analysis, on their respective functions in production. Any class that is able to set production in motion and keep it going in accordance with the general needs of a given phase of civilisation, will, sooner or later, govern society. This is, according to Marx, the real title to headship in the affairs of the polity. As long as any class is performing that function it is promoting the general advance of civilisation.

Professor Nicholson, in asserting that " Marx omits alto-

gether any consideration of these beneficial influences (of capitalism) in his historical picture" (p. 82) merely proves that he has not studied, with due care, the author at whom he is running full tilt. The "Communist Manifesto" leaves in this respect nothing to be desired by any advocate of the capitalist system. It declares that capitalist industry "has achieved greater miracles than the construction of Egyptian pyramids, Roman aqueducts, or Gothic cathedrals. . . . The middle class has created more powerful and more gigantic forces of production than all generations put together"; furthermore, it has created national government, international trade, etc., etc. This eulogy in memory of capitalist achievements excels even the famous Disraelian rhapsody on Manchester. But the Marxian sentences read like an epitaph.

No less unjust is Professor Nicholson's censure that "Marx, in his critique of orthodox political economists, left out of sight the elements of truth and strength in their teachings" (p. 83). The same remark applies to Mr. Salter's charge that Marx "concealed his great and for the most part unacknowledged debt to the English Socialist writers" (p. 18). This severe attack on Marx's literary ethics appears to be the effect of Professor Nicholson's and Mr. Salter's lack of familiarity with Marx's "Theorien über den Mehrwert," a work in four volumes, written by its author in 1863-65 and published posthumously in 1905-11 by Karl Kautsky. In those four volumes, which, in my judgment, are the best extant history of British, French and German economic theory on labour, capital, wages, profit and rent, Marx does full justice to Petty, Dudley North, James Stewart, Quesnay, Adam Smith, Ricardo, the Mills (father and son), Ravenstone, Hodgskin, George Ramsay, Richard Jones, etc., etc. The orthodox political economists whom Marx delighted to honour were Petty, Stewart, Quesnay (with his famous *Tableau économique*), Smith, and particularly Ricardo. Of the anti-capitalist writers, it is Hodgskin whose theories he analyses at length and with the utmost care. This

extensive history of economic theory was intended by Marx to form the fourth volume of " Capital " and to show the sources and authorities of his exposition of the economics of the capitalist system.

II

Marx, as political economist, had before himself the following theoretical results. The classical political economy of Great Britain had, up to the end of the eighteenth century, dealt with the problem of production more and more in the sense of natural freedom and natural rights as against the obsolescent State and police restraints of trade, and proceeded, through Ricardo, to the problem of distribution from the point of view of manufacturing, trading and commercial interests as against the landed interests. The conflicts and antagonisms which those economists had to deal with were either between the progressive, freedom-loving individual and the retrogressive, police-ridden State, or between manufacture and agriculture. On the other hand, the conflicts between Capital and Labour, though by no means of rare occurrence, were easily quelled and had no effect on the process of production. Adam Smith, in a somewhat prolonged fit of compassion, characteristic of the advocates of natural rights, took sides with Labour, as the producer of all wealth, deplored its helplessness, tried to moralise Capital, and passed on (" Wealth of Nations," Book 1, Chapters 6-9). Ricardo, who had a clear notion of the opposing interests of the various classes—his is the formula of the inverse ratio between wages and profits, and between both and rent—ascribed the whole mischief to the land-owners, whose rent-income was swallowing up the greatest part of the proceeds of labour in trade and manufacture. But on the heels of Ricardo came the anti-capitalist and Socialist critics (Ravenstone, Thompson, Hodgskin, etc.) who, on the strength of Smith's and Ricardo's own theories, claimed the whole produce of labour for the working classes, arguing that the accumulated wealth was the result of unpaid labour or surplus value.

The Revival of Anti-Marxism

Sociologically speaking, in the time of Ricardo, British society was on the point of entering into a class struggle. The Industrial Revolution had done its work in bringing the potentially antagonistic classes into clear relief. The middle classes, led by the Ricardians, marshalled their forces for free trade and Parliamentary reform, or for the capture of political power, while the awakening working class demonstrated for universal suffrage, factory legislation, freedom of combination, and finally set the Chartist movement on foot, for since about 1820 anti-capitalist and Socialist writers appeared on the scene, directing their shafts against the profiteers and demanding the whole produce of labour for the worker as the producer of all wealth. Periods of class struggle are generally prolific in great writers, and the years from 1776 to 1844 produced a host of political economists of great originality or boldness of thought, or painstaking commentators and popularisers of the leading minds. Smith's "Wealth of Nations" (1776) marked the beginning; Ricardo's "Principles" (1817) the middle; J. S. Mill's "Essays on Some Unsettled Questions of Political Economy" (1844), the end of that period. All questions of labour and capital, production and exchange, were thrashed out, and for the most part, especially till about 1820, without conscious bias, without apologetic tendencies. The leading minds looked upon society as a natural phenomenon, whose underlying principles and the operating forces had to be found and defined by science, while the classes fought with their gloves off against one another.

Into this atmosphere came Marx, with his Hegelian dialectical, antagonistic evolution of society, for the first time in 1846, then in 1849, permanently to settle in London. He, likewise, had been busy with a book on political economy, but after having made acquaintance with its vast literature at the British Museum, he destroyed his manuscripts on which he had been working in Paris and Brussels and settled down to study anew all that he found of British researches and disquisitions on the subject. Although a great admirer of the

naturally prolific mind, vast learning and historic sense of Adam Smith, he was mainly attracted by Ricardo, whose scientific bent of mind, generalising capacity, grasp of the antagonistic character of society, and concentrated style of writing, particularly in the first chapter of the "Principles," were so much allied to those of Marx. Indeed, what Ricardo accomplished for the British middle classes, Marx set himself to perform on a vaster scale, with greater learning and revolutionary energy, for the proletariat of the world. And we shall never be able to do justice to Marx, as an economist, unless we connect him with the achievements of British political economy from Petty to Richard Jones, for on them he built up his social criticism, his critique of political economy. There is not in Marxian economics a single proposition on labour and capital, production and remuneration, value and surplus value, which in one form or another could not be found in the works of the leading British economists. And had Professor Nicholson and Mr. Salter but studied them a bit more carefully, their objections to Marx might have been of a more serious nature. Let us sample them.

Professor Nicholson is indignant at Marx for having said that "capital seeks to provide only commodities for sale. It cares nothing for their social uses. To make anything that will sell at a profit. . . ." (p. 86).

That the only purpose of capital is to make profit is an opinion expressed by Adam Smith, when he states as a matter of course that the employer would have no interest in employing the workmen if he didn't "expect from the sale of their work something more than what was sufficient to replace his stock to him" ("Wealth of Nations," Book 1, Ch. 6). And where does that "something more" come from? Smith replies: "Profit comes from the labour added to the value of the materials. The value which the workmen add to the material resolves itself into two parts, of which one pays the wages, the other the profit to the employer upon the whole stock of materials and wages which he advanced" (*ibid.*).

Here we have also the source of what Marx calls surplus value. Profits may be justified and are justified by the post-classical British economic writers on the ground of the labour of inspection and direction by the capitalist. Professor Nicholson actually employs this argument against Marx (p. 137), not knowing that his famous countryman had dealt with it some 150 years ago. For, Adam Smith, anticipating the objection, declares that profits have nothing to do with services. "They are regulated by quite different principles and bear no proportion to the quantity, the hardship, or the ingenuity of this supposed labour of inspection and direction." They are regulated by the amount of capital invested in the business. "In many great works, almost the whole labour of this kind (inspection and direction) is committed to some principal clerk. His wages properly express the value of this labour of inspection and direction" (*ibid.*). Even Mill was constrained to admit that, strictly speaking, capital had no productive power; the only productive force was labour, assisted by tools, machinery, etc., applied to raw material ("Essays on Some Unsettled Questions," 1844, pp. 90-91).

Professor Nicholson further believes that the argument most fatal to Marx's attitude towards capitalism is that he paid no attention to demand, for there could be no profit unless there was a demand for the goods made to sell. "The goods must be got into the hands and the stomachs of the consumers" (pp. 86-87, 106). Well, I suppose that nature has taken pretty good care of that. The appetites and needs of the masses are not specially created by order of the capitalists. And in case of need, a clever advertiser can be got for a moderate salary to make the goods known to the public. Besides, Marx did pay attention to demand. He distinctly pointed out that individual and social demand determines the amount of exchange values to be produced, and if, through the anarchy of capitalist production, the supply is larger than the demand, then the superfluous commodities lose their exchange values; labour has been wasted.

Mr. Salter, who appears to have read little of Marx and still less of the classical economists, but a good deal of Boehm-Bawerk and other opponents of Marx, harps upon utility as the essence of value. Well, Smith and Ricardo knew something of utility, likewise Marx. All of them regarded utility as essential, but they could not accept it as the measure of exchange value, since, as any manufacturer could tell them, it was cost of production that determined exchange values or prices. And cost of production consisted of prime cost (wages, raw material, etc.) *plus* profit. Marx's particular question in economic theory was, How did surplus value or profit arise? And he answered (1) by hiring labour on the basis of use-value and making it create exchange-value; (2) by producing utilities. To the immediate consumer the main object is utility, but for the manufacturer the main consideration is the means, i.e., labour, living and stored up — by which the goods are produced. And it is in the manufacturer's office, where the prices (or exchange values) are calculated and fixed, and not in the consumer's kitchen. Mr. Salter's criticism of Marxian theories arises largely from the confusion of value and price, believing them to be identical. Marx follows here, as in most concepts, classical political economy, which clearly distinguished between natural price and market price, the former corresponding to Marx's exchange value, the latter to price. The natural price was with Smith, Ricardo, Mill, etc, the real measure, based on labour, while the market price, influenced by supply and demand, etc., sometimes rises above, sometimes falls below, the natural price, but always gravitating towards it.

Marx's main contribution to political economy consists in this,—he started where his predecessors left off. Smith inquired into the concept of value in order to show the source of wealth and how it could be made to flow more copiously; with Ricardo, value was the right principle which ought to regulate distribution; Ravenstone, Thompson, Hodgskin, Bray, regarded surplus-value as mere robbery, and they

condemned any society which rested on robbing labour. With Marx, value and surplus-value became the key with which he unlocked the inner workings of capitalist society, moreover, showing capitalist society to be one of the many stages of social evolution. Marx dissolved the mechanical view of society, held by his predecessors, into an evolutionary conception of human history.

It is all so elementary. And it is deplorable that one has to deal again and again with economic categories which were so well defined by the greater minds in times when people really searched for knowledge of industrial life, and not for apologias. Indeed, no opponent of Marxism deserves any reply unless he first directs his criticism against Smith and Ricardo. Marx is, of course, more technical, at once more analytical and more synthetical, welding the various categories into a chain of evolutionary causation of the rise and dissolution of the capitalist industrial system; but, in the main, he stands on the shoulders of classical political economy and the theorists of cognition of modern times. He holds strictly to the view that behind the empirical movements and appearances there is a law, a principle, underlying and controlling them, and to which, despite all deviations and refractions, they conform. And science consists, not in describing empirical sensations, but in finding their law and causation, of grouping and interpreting them accordingly.

Marx, in adopting the results of his mental precursors, uses them in the light of his sociological theories. He sat down as a revolutionary Socialist to write his critique of the capitalist system from the point of view of dialectical evolution, materialist conception of history, and class struggle theory, which taught him also that in the domain of social and moral branches of knowledge the intellect is often swayed by class instincts, desires, and interests, that, therefore, even the greatest minds are not exempt from the danger of being influenced in their interpretation of facts and scientific findings either by their attitude towards the

various classes or by general considerations, so that the same facts and findings will lead the non-Socialist and the Socialist to different conclusions, or might even induce them to stop short at drawing conclusions at all, if they instinctively, unconsciously fear lest the logical process might result in conclusions destructive of their general conception of what is good for their class or for society as a whole. There is, for instance, from the point of view of pure logic, no valid ground why Adam Smith, after having written the very remarkable Chapter 6, Book 1, should not have adopted the Socialist position, why he stopped short at condemning any society based on private property. And yet he did not draw any such conclusions, because his general disposition, born of the circumstances of his upbringing and surroundings and associations, led him to think that private property was more favourable to the development of production, to the growth of wealth. On the other hand, Marx came as a revolutionary Socialist, as a Communist, to study political economy, and saw at once where the results of classical political economy would lead him. And as soon as his teachings proved an effective force in the proletarian movement, they became the object of attacks, while Smith is left alone. I am not an unqualified admirer of Marx's economics; but this I make bold to say, that he must be counted among the greatest economists of all nations. He sometimes stumbled, but, like a noble horse, striking the most sparks when stumbling.

III

Mr. Salter attacks also the sociology of Marx. He censures him for having failed to give any detailed forecast of the future society (pp. 248-49). This censure has no greater strength than any criticism of a scientific pioneer and discoverer for having omitted to describe the technical possibilities of his discovery. The scientist finds a new physical or chemical or biological law and leaves it to experiment and technology to apply it. This consideration is all the more

valid in the domain of social science, as the requirements, proceeding from the conditions of life themselves, will sooner or later, in the storm and stress of controversy and conflict, bring forth the organs and organisations capable of performing the new functions. Certainly it is an expensive way, involving as it does sacrifice and martyrdom; but that is the way of organic life, and has so far been the way of social evolution. What practical good did Plato's "Politeia," or even the more moderate "Nomoi," to Athens, More's "Utopia" to England, Campanella's "Civitas Solis" to Italy and Spain, Fourier's, Proudhon's and Louis Blanc's constructive schemes to the French proletariat? Compare the barrenness and futility of the so-called constructive schemes with the results of Marx's so-called destructive and negative teachings. The theories of class struggle, surplus value, economic and political action, socialisation of the means of production, have stirred and inspired the masses all over the world, everywhere moving forward, striving to translate them into practice, filling the forefront of the political stage. Professor Nicholson is quite astonished at the effect of the negative teaching of Marx, and he cries: "And yet he (Marx) moves—and just now moves more than ever—in spite of his arid hypothetical arithmetic and his old massive learning and his overbearing conceit" (p. 13). Does that not remind us of the exclamation of the French sculptor in Rome, when comparing his anatomically correct marble horse with that of the equestrian statue of Marcus Aurelius, "*Et pourtant cette bête-là est vivante, et la mienne est morte!*"? The lesson to be drawn from this outburst is surely that the old learning of Adam Smith proves to have been of greater solidity than the new learning of Professor Nicholson. The old Scottish massive learning and love of theory appears to have taken refuge under the wings of the Scottish proletariat.

THE NEW ECONOMIC POLICY IN RUSSIA

By J. LARIN

THE decrees of the Council of People's Commissaries of April 7 concerning the food tax and free trading, and of May 13 concerning domestic industry and co-operation, were the practical expressions of what latterly it has been the fashion to call the new economic policy.

The accumulation of these measures and regulations have called forth in the anti-Bolshevik camp the conviction that the Communists are abandoning the very foundations of their policy, and consequently have themselves become disillusioned in the October revolution of 1917. Our enemies affirm at public meetings that the three main features of the economic policy of Bolshevism in its very essence had to be the following:—

(1) The complete nationalisation of all industrial productions.

(2) The complete suppression of private trading and even of co-operation, leaving the co-operative movement the duties only of the distributive apparatus of the food commissariat.

(3) Complete State monopoly of all agricultural products (levies).

Our enemies justify these assertions by referring to the practice prevalent in the years 1919 and 1920, still fresh in everyone's memory, and say: What was the use of the hopes and programmes of the Bolsheviks, why should the great mass of workers still follow them, when the Bolsheviks themselves have renounced their fundamental aims? It is not essential to have Lenin and Trotsky in power in order to abandon the Bolshevik programme: both the Mensheviks and the Socialist Revolutionaries will do quite as well.

These affirmations are absolutely incorrect. In reality,

what is taking place now is the straightening of our line of action, a return to that programme which prevailed amongst us in the period of the October revolution and nearly all the first year of our power. Under the influence of various causes, about which we shall speak later, deviations were afterwards made from the old correct path, which filled the years 1919 and 1920. Now, when the end of the war has given the party the possibility of quietly summing up the situation, and when the food and fuel crisis of the beginning of 1921 has given an impetus to the summing up of the problem in the clearest possible way—to-day there is taking place the elimination of all excrescences on the old correct policy which grew up in the stress of war, and a straightening of our path is taking place.

The programme of Bolshevism consisted, and still consists, in the overthrow of the power of capitalism, in the establishment of political and economic dictatorship of the working class until complete attainment of Socialism, and in the gradual reconstruction, after the shattering effect of the world war, both of Russian economic life and of the world revolutionary movement of the proletariat. The nucleus of our economic policy is nationalisation—i.e., transference into the possession of the party of the working class organised as the public authority. Nationalisation of the former capitalist industry and transport, in order with its help to guarantee the proletariat an economic basis for its political action: later of so reorganising and extending the technical basis of production as to afford the possibility of socialising the *whole* of economic life (including agriculture) and considerably improving the lot of the population.

Such was, and remains, our programme of action and the corresponding principal line of policy (the nationalisation of industry and transport and placing them at the disposal of the workers' Government). This bed of the proletarian stream we have had to beat out (in the temporary conditions of Russia) in a country where the majority of the population is composed, not of workers, but of small and middle peasants,

who constitute four-fifths of the population. The peasant is an owner of private property, working on the basis of individual, not of social, production. He requires profit from his *private enterprise* in order to develop it on a wider scale than is necessary to feed his own family (i.e., so that there should be enough food for the workers and raw material for industry). In order to bring about this state of things he requires a certain liberty of action, and even a partial freedom in dealing with his produce, and by utilising them to secure the necessary crafts and auxiliary trades required for peasant enterprise (smiths, millers, wheelwrights, etc.). Consequently he requires freedom *for small industry*.

This characteristic of the economic conditions of the principal mass of the population was perfectly well known to our party, even at the time of the October revolution of 1917; and consequently the forms and methods by which the dictatorship of the proletariat was to be achieved in the economic sphere were marked out very firmly.

They were deliberately limited to what was actually essential to allow us to proceed along the path to our principal aim, and they did not attempt to eliminate those factors, the existence of which was essential if the peasant class were to continue as a class of petty proprietors: and consequently if there were to be peaceful co-operation between the Workers' Government and the peasant majority.

In the sphere of industry this meant the nationalisation of only large and medium sized capitalist industries. We do not attempt to proclaim anything approaching "the *complete* nationalisation *of all* industrial production." Indeed, at the beginning of 1918 I made a proposal, and it was accepted, altogether to forbid the nationalisation of enterprises by any local or central organ whatsoever, except the Council of People's Commissaries and the Presidium of the Supreme Economic Council.

In the summer, in June, sending a draft decree concerning the nationalisation of Russian industry (adopted on June 28) from Berlin with Comrade Krassin, I included in it a special

provision that only undertakings with a capital of not less than half a million roubles were subject to nationalisation. This point was adopted. Craft, domestic, and every other form of small industrial activity (i.e., all that was of *immediate* importance for the peasantry) was *deliberately* avoided both by the legislation and the practice of the first year of our power. The writer was one of those who inspired the economic policy of that day, and therefore is able to insist, not on the accidental but the deliberate nature of this caution. It is sufficient, for example, to refer to the introduction to my pamphlet published by the Petrograd Soviet on December 27, 1917, entitled "Workers and Peasants under the Russian Revolution."

In relation to trade (i.e., the so-called "freedom of disposal"), in exactly the same way neither in intention nor in practice during the first year of the Bolshevik administration was there complete prohibition either of co-operative or of private trading, which is absolutely inevitable when many millions of small privately owned firms exist in the State. Private trading is powerless to prevent the growth of Socialist economic life when conditions exist for the development of large-scale industry and transport, which have been nationalised and are in the hands of the proletarian Government. Summing up our year's work and our plans for the future, we published the decree of November 21, 1918, concerning the organisation of supply. This decree directed the opening of shops which had been independently used by local authorities, and laid down that the task of the State, as such, was to trade in the products only of the nationalised factories. Trading in the products of domestic, craft, and small private industry remained free both for individuals and for the co-operative societies. Our policy in this respect also was a consistent policy, based upon a Marxian (scientific) understanding of the petty bourgeois economic conditions, in the midst of which we had to beat out the road to Socialism, based on large-scale industry. But here we met with political reasons which para-

lysed our policy in practice — and these reasons must be sought for, not amongst the peasantry, and not amongst the workers. The town bourgeoisie itself simply refused to trade, and refused to carry on its small undertakings. The laws remained, but the stores and workshops became empty, as the owners would not any longer "risk their capital under the Bolsheviks." During the first months after the October revolution of 1917 the petty bourgeois trading and production continued by force of inertia. The owners hoped that the Bolsheviks were every moment on the point of falling. The Bolsheviks did not fall, and the owners one by one ceased their organising activity. Let us wait until the collapse, they said, before taking any risks. This was the time when shipowners on the Volga almost ceased to repair their vessels, timber merchants ceased to cut wood, etc. (to this day we are forced to burn seasoned wood instead of dry, because, in the case of a considerable portion of our stores, a whole year was lost, and the regular practice of the fuel industry was infringed, by which the wood was left to dry in the forest for a whole year after being cut).

It is quite another matter now, in 1921, when the middle class has become convinced of the stability and strength of the Soviet Government. To-day they will trade and re-open workshops as much as you like, once they are given permission. Then it was otherwise, and willy-nilly, or, more accurately, unwillingly, the State was forced gradually to take on to its shoulders an immeasurable and unnecessary burden in the shape of the replacement of the entire distributive apparatus, and of the direct organising of nearly the whole of industry, let alone private workshops with a few tens of workers and employees. Only with the autumn of 1920, after the final defeat of the counter-revolution (Wrangel), after the idea of the stability of Bolshevism had been definitely hammered into the brains of the man-in-the-street, did conditions arise under which the Government of the proletariat could again relinquish all these duties, and not be afraid of coming up against that economic sabotage of the

middle class which took place before (when it preferred to register in mass as employees in Soviet institutions, there to await the collapse of the odious new order, instead of continuing the organisation of its own commercial and industrial enterprises). The self-elimination of the bourgeois middle class from its share of organising participation in Russian economic life began in 1919, and particularly in 1920, to take legal shape as well.

By the irony of fate, the last step in this direction—the nationalisation of all enterprises with more than five or ten workers—was undertaken by the Presidium of the Supreme Economic Council (more by inertia than after reasoning thought) only when the possibility of straightening the line and of returning to the programme of action of the years 1917 and 1918 had begun to become clear—as late as December, 1920. This decision of the Presidium of the Supreme Economic Council has now been set aside by the decree of the Council of People's Commissaries of May 13, which restores those relations with small-scale industry that existed in 1917.

In this way, as far as the first two " main features " are concerned—nationalisation and trading—all the time there have been doubts as to theory; and, even if the practice of 1919 and 1920 deviated from the theory, this was called forth by the unfavourable turn of events, and brought us only harm. Our business is to nationalise only the factories, large works, mines, railways, and shipping—and not to make a monopoly out of every home-made wooden spoon and every boat on the river, every flower-shop, every fashionable hat shop, *for the dictatorship of the proletariat does not at all consist in the imposition on the proletariat of the obligation to carry out all the work of organising for the whole of the community.* On the contrary, a sensible dictatorship will display itself incidentally just in this: *that it is able to utilise and force into the fundamental economic current the organising forces and efforts of other social layers and sections of layers.* In the present case, it is quite clear that

the direction of the economic life of the country will be determined by those who have in their hands transport, industry, and political power, and not by those who control home-made wooden spoons or small timber, and the senseless disintegration of millions of scattered small farms. The establishment of accurate limits for the nationalisation of industry, and for trading in the products of industry during the whole period evoked no hesitation, and the deviations from the true path were brought about by necessity imposed upon us from outside. With food, on the other hand—with the levy on the products of peasant agriculture, with the form of our relations to that same method of agriculture—matters stood a little differently and were more complicated. In reality here, too, in 1921, there is taking place only a decisive return to what was intended and partly achieved as early as 1918. Here, too, in a word, there is taking place only a straightening of the line. But in this connection the party of the proletariat, as a whole, has only gradually grasped the practical meaning and rôle, in these years of transition, of the internal tendencies of peasant agriculture, and, consequently, the necessary relations to be maintained with it. Speaking more simply, it has only gradually realised that "military Communism," in the words of Comrade Lenin, "was not and cannot be a policy answering to the economic problems of the proletariat; it was a temporary measure, forced upon us by war and ruin." (See his pamphlet, "The Food Tax.") Having grasped this, the party decisively returned to the programme which was laid down by the October revolution, and which was temporarily left on one side later owing to the influence of the war and economic collapse. The period of deviation was the more prolonged owing to the insufficient grasp, in very wide circles, of the thought which Comrade Lenin expresses in the words: "The true policy of the proletariat carrying out its dictatorship in a country of small peasants, is to procure corn in exchange for the products of industry necessary to the peasant."

THE FARMERS' MOVEMENT IN AMERICA

By G. J. PYLE

THE American farmer has always been looked upon as the bulwark of national conservatism. Whatever popular fads might sweep the country, the farmer, we used to say, might be counted upon to resist change, and, for better or worse, uphold the present order. And although we have grown used to surprises of late—with prohibition and woman suffrage suddenly establishing themselves among us—when we first heard that the farmers of North Dakota had organised the "Non-Partisan League" with the avowed intention of having the State engage in the business of marketing farm products, we asked what could be happening in the north-west to bring about anything so startling.

The members of the League were ready with their answer. For years, they said, the farmers of North Dakota had suffered from the conditions under which they were obliged to market their grain. Companies in the neighbouring cities of Minneapolis and St. Paul owned nearly all the "grain elevators" or buying centres in the State. These companies, the farmers complained, treated them unfairly in grading the quality of the wheat and even in weighing it. Reports of the companies' sales showed that they had disposed of more wheat or better wheat than they had bought from the farmers. Furthermore, since the local banks were owned or controlled by the same city interests, a systematic policy prevailed of having notes fall due immediately after harvest, and so forcing the farmers to sell their crops then when prices were lowest. Year after year, in order to meet their obligations, they had been compelled to sell for what they could get, only to see the market quotations rise after the wheat was safely in the hands of the buyers.

Among the various reform measures that were proposed, the most popular proved to be the plan for a State-owned elevator, which would give the farmers fair weights and grades, and finally, by a vote of more than four-fifths of the people, the State legislature was instructed to build one. The legislature replied that the State constitution forbade such an enterprise. This was in 1907. At the next election the citizens ordered the constitution amended, and although the legislature obeyed the mandate, they again failed to build the elevator, making the excuse that they were not sure whether the electors wanted it within the State or in Minneapolis. At the next election the farmers tried again and were again put off with an excuse. Gradually it became evident that they must develop their own political organisation and elect their own candidates to the State offices if they hoped to accomplish the objects which they had sought in vain from the regular politicians. But it was not until after ten years that the Non-Partisan League was organised in response to this need. As in so many similar cases, the work of one man proved to be a match set to the waiting tinder.

Mr. A. C. Townley, a North Dakota farmer, was the founder of the new organisation. Its "platform" was simple and familiar: grain elevators owned by the State, a State bank to make farmers loans on more favourable terms, State insurance for crops against damage by hail, encouragement of farm improvements by tax exemption, and a system of grain-grading laws to be executed by State inspectors. The organisation was called Non-Partisan because it was not to constitute a new political party, but was to nominate its candidates on whichever of the old party tickets seemed more favourable for local conditions—which generally meant the Republican Party. This programme proved so popular that organisers were soon busily canvassing the State, and in less than six months the League had more than twenty thousand members.

At a farmers' convention held in the spring of 1916 Mr. Lynn Frazier was nominated for Governor of North Dakota.

Oddly enough, Mr. Frazier was not a delegate to the convention, and when its representatives called on him to announce his nomination he was found, like another famous historical character, ploughing his field. In the fall elections the League went before the people with its list of farmer candidates and won by a large majority. Two more years of waiting were necessary before its programme could be carried out, for North Dakota, like many of the American States, has a constitutional provision that only half the State Senate is elected at the biennial polling, and the "hold-over" senators—that is, those who had been elected two years before the League entered the list—blocked the new measures. But in 1918 these senators were displaced and the League was in absolute control of the State.

Since the League plans had been prepared long before, the new Congress lost little time in writing them on the statute books, and in two months the whole programme had been enacted into law. The State Mill and Elevator Association was created and authorised to buy or rent the necessary equipment for marketing grain and manufacturing flour. This was followed in quick succession by the State Home-Building Association to lend money at low rates, the State Hail-Insurance Department to protect against grain losses at lower premiums than had been charged by the private companies, and, most important of all, the State Bank of North Dakota. A bond issue of $17,000,000 was authorised to finance the projects. Then, in order to extend the reform benefits to other classes than the farmers, the Congress supplemented their work with a number of laws for the protection of organised labour: a workmen's disability compensation Act, an Act prescribing an eight-hour day and a minimum wage for women, a mine-inspection law, and an Act limiting the power of the State Courts to issue injunctions in labour disputes.

The work of administering the State industries was assigned to the Industrial Commission, which was to consist of the Governor, the Attorney-General and the Commis-

sioner of Agriculture and Labour. The Commission was given full authority to employ subordinate officers, acquire properties, and determine buying and selling prices. It was the intention of the legislature, in conferring such powers, to avoid hampering the work of the Commission with the restrictive "red tape" that has stifled so much Government business. But the critics of the League have attacked this concentrating of authority more than any other feature of the programme, and urged that it imposed too heavy a weight of administrative business on a small group whose time was already well taken up with their regular political duties. The spirit that has animated a great deal of this criticism is of a sort, however, to make one suspect that the critics would have been just as indignant if exactly the opposite course had been followed. Whether or no these three particular men happened to be capable of directing so many enterprises with success, their responsibilities were certainly far less than those which the officers of large corporations feel able to shoulder.

With its laws enacted the new Government went vigorously to work. The State Mill and Elevator Association bought a flour-mill which was operated successfully until the late autumn of 1920 brought a sudden fall in the price of wheat and caused it a considerable loss by shrinkage of assets. Its loss, however, was no more than that sustained by most of the private mills, and meanwhile it had been paying better prices for its wheat and selling cheaper flour. The Bank of North Dakota began operations as soon as enough bonds were sold to make it possible, and advanced loans for farm improvements and home-building with interest payable at 7 per cent. on a thirty-year amortization plan. Several crop failures in the midst of the general financial depression which came after the war put the bank in uncomfortable straits and some forty banking houses throughout the State were obliged to close their doors. The same conditions existed through all the North-West, but it was an unfortunate time for the working out of a novel programme of State-owned industry, and the Conservatives were not slow

to point a moral. In fact, the angry tone of so much of the comment on the League has made it difficult for most outsiders to form a just idea of its achievements or failures. It would not be surprising if such an experiment had a somewhat chequered career, but much of the counter-propaganda is obviously unfair, stubbornly opposed to any unusual or progressive reform, and allowing nothing for the really trying conditions which the League has had to face.

But whether fair or not, the counter-propaganda has had a far-reaching effect. Unhappy attempts at State ownership from the early days of American history have left a prejudice, and it was not hard to create a general belief that the new programme was a piece of dangerous Utopianism. Although the League's membership now extends through more than a dozen States, its organisers have often encountered furious opposition. Not long ago two of them in the State of Kansas were tarred and feathered by a mob of citizens determined to protect their homes against these supposed emissaries of Lenin. Even in North Dakota the elections in the fall of 1920 considerably reduced the leadership in the State Congress which had been won two years before.

But in spite of all, the League is still a going concern. Governor Frazier was re-elected and is now serving his third term. The State Mill and Elevator Association is building a new mill, the Bank of North Dakota is pushing the sale of its bonds, and the banking houses are opening again. The League headquarters, now at Minneapolis, Minnesota, is urging its campaign vigorously. With the return of normal conditions in business it will have a fair chance to try out its plans under more favourable circumstances. Whether the high hopes of its founders can be realised is a matter for the next few years to determine.

INDIA IN THE LABOUR WORLD

By SHAPURJI SAKLATVALA

THERE is a vague idea that India is an agricultural country, is industrially dormant, and is only slowly awakening to modern industrialism.

But fifteen per cent. of a population of three hundred millions makes up a number of forty-five million people in India living by industrial and commercial activity. The case of Great Britain as a standard is misleading. Each group of industrial workers producing outputs in immense quantities at a very rapid rate, with the assistance of scientific appliances, requires a large group of human beings employed on large tracts of land and sea, near or far, for the supply of raw materials. In all large countries, therefore, the ratio of 80 per cent. of peasantry to 20 per cent. of industrial workers is a necessary factor of modern industrial life.

Modern imperialism makes up for Great Britain what cannot be provided by nature in her island bounds. Thus alongside of the political imperialism, which can always be altered or abolished by a stroke of the pen in the legislature, there has now grown up an economic inter-relationship between Britain and the East which cannot be given up without disaster to the industrial workers of Britain. Political imperialism of Britain artificially prevented India from manufacturing her own raw products. The growing strength and demands of Labour in Great Britain created an interest for the British manufacturers to start manufacturing a limited amount of output in India. This in the course of years opened the eyes of the Indian bourgeoisie, who adopted modern industrialism for their own gain and in direct rivalry against the European concerns. This in process of time brought about a mutual understanding between the foreign and Indian exploiters, who jointly decided to speed up in-

dustrialism. The European owner of small factories in India was soon reduced to the necessity of extending and consolidating his concerns in India to keep pace with the local rivalries. He now finds that with a wise manipulation of his affairs by becoming the owner of factories and mines in India, ostensibly as a foreign rival of himself and his own concerns in Great Britain, he can obtain a controlling advantage over British Labour at home, by creating a rival cheaper group of Labour in India.

This development of the economic significance of India and England can be observed in the exultant and self-congratulatory speeches at meetings of companies registered in England which have their places of industry in the East. The new concerns registered annually in India from 1910 up to the outbreak of the war in 1914 were 245, 334, 289, 356, for each year respectively. Then came the war years with the consequent scarcity of European and American machinery and Government control over investments in private companies. Thus during the years 1914 to 1918 the above figures of new concerns in India shrank to 112, 121, 184, 276, 290. As soon as the artificial barriers of war years had been raised, the number of new companies registered in India, March, 1919, to March, 1920, was 905, and 1920 to 1921 was 965. The average total capital of the new companies registered in India year by year was approximately £12,000,000* per year for the years 1910-1914. In the first three years of the war this average fell to £6,000,000 per year. With the revival of war industries it sprang up to £18,000,000 per year during the last two years of the war. In 1919 it assumed the enormous figure of £183,000,000, and 1920 to March, 1921, owing to the extraordinary disturbances in the exchange rate, it came up to £100,000,000. From these figures one can imagine the accelerated speed with which industrialism is growing in India. As if this was not sufficient to satisfy the ambitions of the Indian as well as the

* For facility of European readers all money figures are reduced from Indian Rupees to British £ sterling at the normal rate of Rs.15 to the £.

British company promoters, the cry of protective duties has not only been theoretically advanced, but is practically pushed forward by 11 per cent. and 20 per cent. duties on imports of manufactured articles.

The following are up-to-date figures of the position in leading lines of industry:—

INDIAN INDUSTRIAL DEVELOPMENT, 1921.

	Companies.		Total Capital.
Cotton	264	...	£19,000,000
Jute	76	...	10,000,000
Iron and Steel	4	...	20,000,000
Coal Mining	236	...	6,000,000*
Tea	300	...	22,000,000

All the above concerns can produce goods under advantageous conditions of native raw materials close at hand and docile labour, at least as it was before the war and before serious attempts at Labour organisation were made. Further, with cheap labour and by ignoring mass claims to education, insurance, etc., the manufacturers obtain advantages of cheap transit, cheap postage and light taxes. The selling prices of articles produced in India are always regulated by the selling prices of rival articles imported from Europe, which have to pay transport charges, sea freight, marine insurance, Customs duties. In the commercial world India had once attained fame on vague reports of her diamonds and pearls and gold and silks, but to-day, amongst the investing world, India is gaining a very substantial reputation for high dividends. Take her cotton mills. In good years Indian cotton concerns as a whole have in a single year earned fully 100 per cent. of capital as dividends, considering the earning to be made on original bona-fide investments and disregarding the bonus and presentation shares given to the shareholders out of the profits. Taking the Central India Mills—which is un-

* A considerable number of mines being private proprietary concerns, their capital is not registered and is not included in the above figures. Similarly, leather works and oil mills are not to be found in official registers.

doubtedly one of the most successful firms in the cotton world—its published dividend for the year 1920 has been 160 per cent.; but one has to realise that this percentage is on an inflated figure of capital of over £300,000, whereas it actually works out at 500 per cent. on the original investment of £100,000, which was all that the shareholders ever had to find for this concern. The Bombay Dyeing Mills and the Century Mills both show a dividend of 128 per cent. in 1919. The Swadeshi Mills of Bombay had a dividend of 120 per cent. each for the years 1919 and 1920, and so did the Dunbar and the Muir Mills of Calcutta divide 120 per cent. in 1920. The Phœnix Mill, the New City of Bombay Mill, and Madhowji Mills had a dividend of 100 per cent. in 1919. The Fajulbhoy Mills declared a dividend of 168 per cent. in 1920, and the New City of Bombay and the Phœnix Mills also declared 160 per cent. each in 1920, but the New Ring Mill, under Messrs. Kettlewell, Bullen and Co., of Calcutta, beat the above records by declaring a dividend of 365 per cent. for the year 1920.

Dozens of cotton mills may be cited which declared dividends between 50 per cent. and 100 per cent. in the years 1919 and 1920. And these are the concerns that after mouthfuls of talk of "reform" and "charities" for the workers still insist upon 60 hours a week and barely a shilling a day average wages, and plead poverty and shout at injustice if ever anybody offered a mild suggestion of an eight-hour day and a minimum wage of at least £3 per week.

Opening the dividend sheets of jute mills, where not only wages but the general treatment of workers can both be described as a disgrace of modern mankind, the following dividends are publicly recorded either for the year 1919 or for the year 1920:

Albion Mills	125	per cent.
Alexandra Mills	150	„ „
Alliance Mills	175	„ „
Auckland Mills	150	„ „
Budge-Budge Mills	132	„ „

Caledonian Mills	140	per cent.
Clive Mills	160	„ „
Dalhousie Mills	150	„ „
Delta Mills	150	„ „
Empire Mills	200	„ „
Fort Gloster Mills	225	„ „
Ganges Mills	180	„ „
Goure-Pore Mills	260	„ „
Hoogly Mills	400	„ „
Howrah Mills	130	„ „
India Mills	220	„ „
Kamar Hatty Mills	250	„ „

and following the concerns further down the alphabetical list from the letter K to the letter W, I can assure the reader of quite a dozen concerns which have during one of the three years 1918, 1919, or 1920 earned dividends between 150 per cent. and 330 per cent.

The Dundee jute workers do not yet realise the urgent need of making the Bengal jute workers, as well as the Bengal jute growers, a part and parcel of the British Jute Workers' Federation, demanding a six-hour day and £5 a week minimum wages, whether the factory be in Dundee or in Calcutta. The wages in Bengal jute factories are registered by the Government Commission at 14s. a *month* up to 38s. a *month* in various departments. The Dundee jute workers, to maintain this rivalry against themselves, have got to contribute not only in money towards the maintenance of the British Navy, but even in men, by supplying Scottish Highlanders to terrorise over the jute growers, as well as the jute workers, in Bengal, and to teach them obedience to a law and order which insists on maintaining the right of the masters to extract 200 per cent. and 300 per cent. dividends from the misery of the people.

To continue the list of profits from industry to industry would be an endless task. The Bengal coal mines, which are mostly under the ownership of British masters, and where the miners work from 60 to 72 hours a week on an average wage of under 8d. per day per head, show dividends rising to 120 per cent. In one case the average dividend

per annum steadily for fifteen years from 1906 has been 95 per cent. Tea plantations have given average earnings between 1913 and 1919 of 20 to 27 per cent.; and this does not include the private companies' profits, which are not published. The Bengal Paper Mills have given a dividend of 52 per cent. for the last four years, the Bengal Timber Trading Company 40 per cent. for two years, and 75 per cent. for three years. The Cawnpore Sugar Works gave 40 per cent. in 1919 and 60 per cent. in 1920. The Hoogly Docking Company has given dividends of 80, 150, and 100 per cent. in the last three years of the war. The Bombay Flour and Oil Mill Company has given 100, 70 and 140 per cent. during the last three years. Thacker and Company, a publishing firm, has declared an increasing dividend of 40, 60, 80, 80 and 100 per cent. during the last five years.

The British worker desires his wages to be increased and safeguarded, and he would even like on this account to see the product of his toil to be a little higher in price if necessary. So far, unfortunately, he has failed to realise that the customer of the product of his toil should also be able to respond to this economic adjustment, and if the Indian workers' wages do not rise appreciably, and the British wages aspire to rise continually, the Indian worker cannot be the customer of the British worker. If the Lancashire worker will look at the trade figures from 1905 up till 1920 he will perceive that the total money value of his goods sent to India was for the first five years £23,000,000 to £24,000,000; for the next four years it averaged £31,000,000 per year, and in the war years with the help of high prices it maintained an average of about £25,000,000 a year; and in the period 1919-1920, with booming profiteering, the value nominally was £46,000,000, but the bulk of these goods still lie unpaid for in the Indian ports. The value of woollen goods for all these fifteen years kept between £800,000 and £1,000,000. But these are figures of *values*, which are of interest to the

profiteers, and the workers have got to study the figures of *quantities*, because it is the quantities that represent employment or unemployment. In the pre-war years, the cotton goods sent to India ranged from 2,000,000,000 yards to 3,000,000,000 yards a year, and during the war years this quantity fell to about 1,800,000,000 yards per year. But with soaring prices of British goods and with miserable wages of Indian peasants and workers, the quantity of Lancashire piece goods fell to below 1,000,000,000 yards per year for 1919 and 1920. Similarly, woollen goods, which were for ten years before the war about 12,000,000 yards per year, fell to 3,000,000 yards last year. This represents shrinkage of employment in Great Britain. With this shrinkage of employment in Great Britain, the consumption of the working classes in Great Britain herself must needs fall below the normal line. The report of the Co-operative Wholesale Society for this year reveals this doleful tale, where the working-class families had to buy 8 per cent. less food, 50 per cent. less clothing, 60 per cent. less draperies, and 35 per cent. less furniture and household articles during the last year owing to widespread unemployment. The part that has been played in this by the destruction of the markets of Central Europe and of Russia has already been widely pointed out; but the part that has been played by the impoverishment of the Indian workers is less generally realised. In either case the neglect of effective working-class solidarity abroad has reacted ruinously on the home position of the workers.

One of the reasons of the very long continuance of the miserable condition of Labour in India alongside the rapid strides of Western industrialism was the overlooking of the importance of Labour organisation by the Indian leaders of thought, who for a generation were completely swayed by the hypocrisies of the British Liberal Party. At a certain period the Indian National Congress officially prided itself in being the representative of the aristocracy

of wealth and talent. When the question of Indian Labour was first taken up by an official committee in England, the millowners of Bombay secured the most brilliant and promising Parsi politician (whose career was cut short by his untimely death), Dr. Bahdoorji, as their delegate, and sent him to England to fight for Labour conditions in India to be left as they were.

The first ostensible serious champion of Labour as such was Mr. Lokhandé, of Bombay. He was, however, widely denounced as set up by wire-pullers, not for the purpose of fighting *for* Labour, but for the deliberate purpose of discrediting the demands of Indian politicians. Later on, during the Montagu Reforms agitation, a similar rôle was attributed to Dr. Nair, of Madras. The action and methods adopted by both these gentlemen did not disprove the charge against them, and they had less of a programme of Labour rights and more of a reactionary propaganda against India's political rights. However, both were persistent Labour agitators, whatever their ulterior motives may be, and Lokhandé, of Bombay, remained in very intimate touch with the daily life of the Bombay cotton mill operatives, and at times he did expose certain conditions of Bombay labour life which commanded public attention. Whatever the direct purpose of Lokhandé, the very rôle that he undertook to play did a measure of good in the early stages of the first Factory Act for India, and perhaps in a lesser degree, Dr. Nair's activities also contributed their share in the acceptance of a semblance of rights for the workers in the Montagu Scheme. Lokhandé's agitation, and his familiarity with Bombay workers, produced another good result, in that the consciousness amongst the Bombay mill workers of their wretched conditions, and a desire for united action, were definitely created in them.

The genius of uniting together within a certain trade has always existed amongst the Indian people. For instance, the particular caste that gives hall porters and night watchmen to commercial offices and banks in large cities has

been always united together in its own way for the last thirty years and has at times even put forward joint action against some grievous wrong. It was in the commencement of the present century that the European railway guards working on the Great Indian Peninsular Railway, though not possessing any regular Union, combined together temporarily and carried out an organised strike and won their point. The Indian signallers in the same railway company, following this example, but forgetting that they were not the blessed bearers of the white man's burden, organised themselves into a regular Union and went in for a strike, with the disastrous result that the railway company, using the British Army signallers to blackleg them, broke the strike and finally dismissed them all. The Bombay cotton mill operatives have for thirty years been organised under some benevolent committee, as a society for the protection of the workers. This society has at times functioned with fair success, and it left a slight impress of its power on the Factory Commission and the Factory Act of 1911.

In 1911, a systematic effort was made in London to draw the attention of prominent Trade Union leaders here to their duty to assist in organising Indian Labour along British lines, for the mutual protection of Indian as well as British Labour; but, after a couple of enthusiastic meetings, the British Trade Union leaders decided to drop the whole matter and preferred not to arouse anger amongst the India Office authorities. From 1912 to 1915 the younger Indians in England took various opportunities to arouse an interest amongst the leaders of public opinion in India on the question of mass rights and Labour organisations. The early years of the war prevented any active operations being launched out. However, as the war developed into an unending campaign of European international jealousies, definite measures were taken in 1916 to found in London a joint body of Indian and British Trade Unionists and Socialists (the Workers' Welfare League of India of London), with the definite

object of bringing about a working connection between the workers of India and the workers of Britain in the same industries, and of demanding an approximation of legislative and economic standards for workers of both countries.

Meanwhile, on another side, an impetus was given to Labour organisation in India on European lines by the activities of Mrs. Annie Besant and those associated with her. Taking timely advantage of a strike that was being carried on by certain cotton mill operatives in Madras, Mr. B. P. Wadia, Mrs. Besant's staunch adherent in Theosophy, and a loyal lieutenant for a long time in all her activities, headed the cause of the Madras workers and formed the strikers into a Union, after the pattern of a British Union. Mr. Wadia then came over to England and supplemented the political propaganda of Mrs. Besant with a Labour propaganda in British Labour circles. Mr. Wadia's efforts and work for the first time aroused a general interest amongst the British Trade Unionists in questions of Indian Labour, and indirectly solidified the floating opinion that was aroused in this matter by the Workers' Welfare League of India working from its headquarters in London.

Organisation rapidly extended, particularly in the Punjab and in Bombay, under the direction of Joseph Baptista, Chaman Lall and Lajpat Rai. Unions were formed of railway workers, post office workers, printers, clerks, textile workers, tramway drivers, gasworkers, and other trades. After a period of effort, during which some 600,000 workers in different trades were organised in some fashion or another under most difficult circumstances, the definite step was taken of establishing the All India Trade Union Congress. The first meeting of this congress took place in Bombay in the autumn of 1920, and its second meeting is now announced to be held in November of this year in the centre of the Bengal coal fields, in a colliery town called Jharria, round about which 400,000 miners are grouped.

The future of Trade Unionism in India will depend in its early stages upon the close co-operation of British Labour. The formal legislation legalising the right of the workers to combine is not yet forthcoming. To secure the necessary continuous co-operation between Indian and British Labour is the task of the Workers' Welfare League of India, which has been duly accredited by the Indian Trade Union Congress as its representative. The interests of Indian and British Labour are bound up by their economic relations. If by any chance continued unwisdom, apathy or arrogance on the part of British Labour drives the Indian Labour or mass movement into open hostility against them, British Labour will have to be prepared for evil days. The extent and rapidity of the development of the movement in India will at the beginning depend upon the sincerity and support which the British workers give to the Indian movement, but very shortly afterwards the united and full strength of the organised Indian masses will play no small part in the British Labour struggle for its economic emancipation and independence.

The spirit of the international movement is conspicuously in front of the Indian organisers. At considerable cost to their popularity they have steadfastly differentiated between the international solidarity of Labour and the non-co-operative movement as a temporary political weapon in India against the imperialist exploiter. The question of international affiliations is already much agitated among the active leaders of Indian Trade Unionism. In Indian eyes the Amsterdam International is largely discredited by its imperialist associations; and at present the balance of opinion leans towards the Red Trade Union movement. It is doubtful, however, whether the movement is yet ready for international affiliation. In the meantime the present breakdown of political imperialism throws a great part to play on Indian Labour. Any set of conditions that would allow this imperialist political fight to lead to the partition of nations into water-tight national compartments, even in

the realms of economic inter-relationship, would be a disaster to all the small countries like Great Britain who must economically depend upon the outside world for raw materials as well as for markets for finished products. The only solution for the workers would be to let the political disruption take its own course as a side issue, and to take immediate steps for an economic consolidation of interests of the working classes of all nations and countries.

THE ITALIAN SOCIALIST CONGRESS AT MILAN

THE Milan Congress of the Italian Socialist Party was the first Congress since the split last January. The Italian Socialist Party is the principal party outside any International, and its decisions were awaited with general interest. At the Bologna Congress in 1919 the Party had been one of the first to join the Third International, and it had joined by a unanimous decision. Immediately after came the general election of December, 1919; and the Party swept the country on its new Communist programme, and came out the strongest single party, with 156 seats out of 508. At this point, the position of the revolutionary movement in Italy was very strong: the town workers, the peasants and the soldiers were all permeated with unrest, and the Government was very doubtful of support. The revolutionary movement reached its height with the metal workers' seizure of the factories in the autumn of 1920; and from the failure of that attempt the movement declined. Thereafter came the organisation of the Fascisti or anti-Socialist guerrilla forces, and the reign of terrorism against every form of Labour activity.

The autumn of 1920 was the turning point of the Italian Labour movement, and it is from that period that the present discussions take their rise. The Third International attributed the failure of the metal workers' attempt to the reformist elements among the workers' leaders, who accepted a compromise from the Prime Minister, Giolitti, instead of continuing the struggle. The Twenty One Points of the Third International, drawn up in the summer of 1920, had already demanded the expulsion of the reformist leaders from the Italian Socialist Party, and this demand was now

COALITION

A SOCIALIST VIEW

"Throw out a plank to the sinking bourgeoisie? Never!"—*Avanti.*

COALITION

A COMMUNIST VIEW

SERRATI: "All tactics are good in the cause of Socialism."—*L'Ordine Nuovo.*

pressed. But Serrati, the principal leader of the Party, opposed this demand, and at the Leghorn Congress, in January, 1921, he and his followers, styled "Unity Communists," carried their point by 98,028 votes against 58,783 for the "Pure Communists," who accepted the decisions of the Third International. The latter therefore broke away to form the Italian Communist Party. Thus the Italian Socialist Party passed outside the Communist International, though still professing adhesion to it, and Serrati and his followers found themselves cut off from the Communists and in unity with the small reformist section led by Turati.

The reformists within the Italian Socialist Party had not so far been a large section, though influential in the Parliamentary group; and at the Leghorn Congress they had not mustered ten per cent. of the votes. But they now came to the front, and pressed the policy of a return to regular Parliamentary tactics and the promotion of a coalition with bourgeois parties. Thus, at the Milan Congress, the followers of Serrati, who still felt themselves to be Communists, were faced with the demand of the reformists for a policy of Parliamentary collaboration, while the Communist International insisted on a complete break with the reformists as the condition of the Party's return to the International.

The Milan Congress opened on October 10, and was attended by 1,000 delegates, representing a membership of 106,845. Four sections revealed themselves at the Congress: the Concentrationists (reformists), under the leadership of Turati, who favoured collaboration with the Government without reservation; the United Maximalists, led by Serrati, who opposed support or collaboration with the Government, but were not prepared to advocate immediate expulsion of those favouring this policy; the Centrists, under the leadership of Alessandri, who, whilst opposing any collaboration with the Government, advocated influencing the Government in certain directions; and, finally, the Maximalist section of the Third International, led by Lazzari, who

demanded the expulsion from the Party of those supporting collaboration with the Government.

The final voting was as follows:—

United Maximalists (Serrati)	47,628
Concentrationists (Turati)	19,916
Centrists (Alessandri)	8,080
Third International Maximalists (Lazzari)..	3,765

The effect of this vote leaves the Italian Socialist Party still outside the Third International, but still refusing to adopt the proposed policy of Parliamentary collaboration. On the other hand, the increase in the strength of Turati is very marked. But the Executive elected comprises only Maximalists: Baratono, Corsi, Domenico, Parpagnoli, Serrati and Vella; and the Serrati resolution gives this Executive power to exclude individuals guilty of indiscipline in pursuing a collaborationist policy.

A survey of the resolutions put forward will reveal the opposing policies, which form the centre of controversy in Italian Socialism.

RESOLUTION OF THE UNITY MAXIMALISTS (SERRATI)

I. The Socialist Party of Italy is a revolutionary party which has for its aim the integral substitution of the Socialist régime for the individual one. Its methods of action must therefore be based on the class struggle without compromise. Upon this criterion of the ends and means, already traditional, and made more definite since 1912 and in all other congresses preceding the present one, must be based the union of the Party, which ought to join its members in a real agreed unity of thought and of action, that is of purposes and their practical realisation, excluding all tendencies to collaborate with and participate in the government.

Therefore the Congress again declares, as it did in 1912, the inconsistency with the principles and methods of the aim of Socialism, of the inclusion in the Party of those who approve of participation of Socialists in the government, and of all the others who agree to the conception of a new social democracy which has been applied with disastrous results in other countries, tending to the collaboration of all classes in the political and economic sphere and in assisting the bourgeoisie in their reconstruction plans in the present crisis;

And declares also, as contrary to Socialist principles and the

interests of the proletariat, every support given to Government programmes, whilst claiming for the Party the right to demand from all its members, including the members of Parliament, the rigorous adherence to the resolutions of the Congress.

II. The Parliamentary Socialist Group is an organ of the Party, whose duty it is to bring pressure to bear from outside on the bourgeois Governments, using its numerical strength and moral value to compel the Executive power to respect the power of public bodies (local authorities) which we have already captured by the strength of our own votes; and for the protection of our organisations, and on the other hand to force the bourgeoisie to recognise the new rights of Labour and to sanction all new laws which the activity of the Group must prepare and formulate, in this way performing also an actual and concrete action, but purely based on the class struggle. The Parliamentary Socialist Group ought to be strictly subordinate to the Party Executive, and ought to be advised and directed by it.

III. The Congress must appoint a Party Executive with extensive powers and chosen, not on the basis of selection prescribed by the old rules, but in view of the activity and capacity of individuals. If amongst those elected to the Executive there should be some deputies, they will not take part in Parliamentary life, except in divisions of exceptional importance, so as to be able to devote themselves exclusively to the duties of their new office. The directorate thus composed, which numbers seven, including the representative of the Parliamentary group and the Editor of *Avanti*, will meet as Executive Committee of the Party, and will incorporate in it, with consultive votes, representatives of other organisations which adhere to the Party. The new Executive should unite in thought and action with organisations and individuals on the Maximalist programme, having the power of purifying, when the necessity and opportunity presents itself, the Party from every action which is opportunist and collaborative in tendency, and penalise immediately, and in a direct manner, every case of open indiscipline and violation of Congress resolutions.

The Executive should direct and co-ordinate the legislative activities of the Parliamentary group; reorganise Provincial Federations so that they give a better result, and make provision for the South of Italy having ample powers of using deputies in these works; reorganise the Socialist members; make provision for the financing of the Party; and try to make agreements with the parties in foreign countries based on the last paragraph of this resolution.

The Executive will summon the National Council regularly every three months and extraordinarily every time it is thought necessary; the National Council will be composed of eighteen regional members, which will be elected by the Congress.

IV. The Socialist Party of Italy, after its undeserved expulsion from the Third International of Moscow, still declares that it will maintain its full adhesion to it and conform its action, within the ways and limits permitted by its particular sectional and historical contingencies, to the action of the said International: to that International for which we must work with the purpose, that all the revolutionary groups and parties of the whole world adhere, which agree with us in the Maximalist programme.

SERRATI, BARATONO.

RESOLUTION OF THE CENTRISTS (ALESSANDRI)

The Congress recognises that there are different currents and tendencies of Socialist thought based on the principle of the class struggle which are natural and legitimate in a united party; it affirms, however, that the existence of individuals and groups, acting contrary to the Congress resolutions and party discipline is incompatible in the Party, and, consequently, statutory rules, actually in force, will have to be changed in such a way that, with necessary guarantees of impartiality, such acts are immediately dealt with and rigidly punished.

The Congress, whilst considering that in the present political and social conditions, Parliamentary action has been most prominent, reaffirms that it is only one of the many forms of the complex activity of the Party. The Parliamentary Socialist Group is strong in so far as it represents the powerfully organised masses, fully conscious of their historical mission; and the Parliamentary Socialist Group acquires an ever-increasing influence, not from subtle Parliamentary stratagems or a purely negative meaningless opposition; but from the continuous material and spiritual development of class organisations (Socialist branches, Trade Unions, Co-operative Societies), and the strengthening of power on public bodies (Town Councils, Provincial Councils and Parliament).

On the question of Parliamentary action, the Congress deprecates every form of participation in the bourgeois Cabinet. Individuals and groups who infringe this resolution adopted by Congress (and which can only be rescinded by another Congress) will be expelled immediately from the Party.

The Congress prescribes an uncompromising attitude as a rule for the Parliamentary Socialist Group, but in certain circumstances and in agreement with the Party Executive, the Parliamentary Socialist Group may adopt tactics, likely to enhance its political and numerical strength, becoming itself an active organisation able to procure the realisation of those economic and political fundamentals, necessary to the conditions and requirements of proletarian organisations.

The Congress finally records its firm decision to limit and control

the individual action of Socialist representatives on public bodies, so that this action, however justified by legitimate interests, may always be in accordance with the general policy of the Party and directly responsible to the Parliamentary Socialist Group.

ALESSANDRI.

RESOLUTION OF THE MAXIMALIST GROUP FOR THE THIRD INTERNATIONAL

I. *Home Politics.*—This Congress maintains that according to the resolution adopted in 1912 by the Congress of Reggio Emilia, and reaffirmed at the following congresses, the revolutionary and class-conscious character, and hence the anti-collaboration character, of the Party has been affirmed; that it has been decided that it is incongruous for those to remain in the Party who approve participation of the Socialists in the government, or in any form of collaboration with the bourgeoisie; it acknowledges that, after the Congress of Leghorn (January, 1921), the fraction constituted at Reggio Emilia, which is called the "fraction of concentration," has taken its stand undoubtedly with the policy of Socialist democracy, and accordingly has affirmed, and still reaffirms, the utility rather than the necessity of participation in the government with open violation of the fundamental principles and effective unity of the Party; therefore, it declares that in this way they have put themselves outside the ranks of the Italian Socialist Party.

If re-admission to the Party be requested by individuals explicitly repudiating the principles of reformism and accepting the uncompromising revolutionary principles and tactics, or if re-admission of these individuals should be requested by a political or economic organisation of the Party, the new Party Executive will be empowered to examine these requests and to determine their merits.

II. *International Policy.*—The Congress solemnly reaffirms its adhesion to the Third International as unanimously acclaimed at the Congress of Bologna and Leghorn, and in fulfilment of the pledge taken with the Bentivoglio resolution; it declares its acceptance of the resolution concerning this Party passed by the last Moscow Congress; it considers also that the Executive Committee of the Third International has expressed harsh opinions on the work of the Italian Socialist Party, which, because of their harsh form and the criticism contained, should undergo some impartial revision; it invites the Executive of the Party to bring to the next Congress of the Third International the documentary report of the action taken up till now by the Party and, above all, to give by its acts concrete proof of its loyalty to the principles of the Third International, working continuously and consistently according to the resolutions of the national and international congresses.

LAZZARI—MAFFI—RIBOLDI.

RESOLUTION OF THE CONCENTRATIONISTS (TURATI)

This Congress

Considering that, as a result of the split at Leghorn, which freed the Party from the Communist dissentients, and laid aside the old and time-worn dispute on the imminent dissolution of the bourgeois regime and the organised and systematic use of violence in expectation of the miraculous advent of Socialism, there no longer remains any objective reason—beyond fatuous prejudices, purely verbal equivocations or mutual misunderstandings—which can offer any pretext for fresh splits or expulsions from the Party on theoretic grounds;

Being convinced that the so-called "collaborationist" policy, adherence to which it was desired to make a reason for disqualification, and against which was opposed that policy of unswerving opposition, which once fulfilled a protective function for the Party in its timid beginnings, is but the practice—imposed by necessity and adopted equally by all the fractions—of temporary agreements in order to facilitate, consolidate or defend (as in the case of the agreements that conclude industrial battles) the conquests of the proletarian class-struggle, in order to secure with exclusive Socialist ends, the functioning of the local bodies and institutions which the Party has captured to such a large extent, or in order to obtain in the Parliamentary field—as was decided by the recent resolution of the Maximalist Party Executive itself—the formation of governments less hostile to proletarian aspirations; thus avoiding a purely mechanical unvarying opposition, which deprives Parliamentary action of all value and transforms it into a previously assured support for all the reactionary forces of the nation;

Recognising that participation in economic reconstruction in the post-war crises is not intended by anyone to be a help to the bourgeoisie, but in fact is intended by everyone—rejecting the anti-Socialist idea, "the worse, the better"—to be an indispensable defence of the general interests of civilisation, of the utmost importance to the future of the workers, and a watchful intervention so that reconstruction does not proceed, in the absence of the workers, against the interests of the workers, which require rather to be reinforced by fresh and stronger protection;

Recognising further that the heated controversies concerning participation in the government reduce themselves to differences in calculations and prophecies as to the greater or lesser proximity or inevitability of that event, and it being unanimously granted that participation in government could never be undertaken for reasons of personal ambition, or without the express consent or, rather, definite command of the Party, which, either directly in Congress or through

its National Council, shall decide in every case as to the advisability of the step, the conditions and the methods;

Considering that any new split, besides constituting a gratuitous weakening of the Party for the benefit of the most reactionary bourgeois sections, would react in a disastrous manner on the economic organisation of the proletariat, by smashing, or completely severing from the Party, that vast Trade Union movement, which up till now followed its lead, thus depriving the Party of its most vital support and favouring the birth of that non-political and anti-Socialist " labourism," which the Party has always deprecated, so that consequently every attempt in this direction ought to be considered as an act of treason both to the Socialist and proletarian cause;

Proclaims that to-day the inviolable unity of the Italian Socialist Party is not merely an instinctive ardent desire of the masses, but an actual fact; and is based on the spontaneous and conscious unanimity of opinion as to the methods and aims of Socialism (the class struggle and the abolition of capitalist property), on the most ample liberty of criticism and of discussion as to the tactics (always subject to expediency and liable to alteration) suitable for the movement, without which freedom of criticism the Party would degenerate into a brainless sect which has abjured all thought and reflection; and that the unity of the Party is based on that thoughtful division of Labour according to temperaments, the conditions of the moment and local necessities, which is a primary essential of real Socialist activity and efficacy.

The reaffirmation and safeguarding of such inviolable unity becomes more vital in view of the fact that in the Italian post-war crisis, reflecting the general crisis of capitalistic society, the Italian bourgeoisie, downcast because of the historical results and disillusionment of the war, crushed by the failure of demagogic promises made to the proletariat to spur it on to further resistance, forced to attempt its own salvation by means of the great protectionist compromise which strengthens the parasitism of privileged groups and increases in an exorbitant manner the prices of the necessities of life, bound in the international field by a policy of sterile servility to the Allies, and incapable of facing the increasing State deficit and the financial ruin of the local bodies, reveals every day more and more its lack of power as a ruling class. Hence, it is of the utmost urgency that the proletariat, organised as a class party, intensifies the work of preparation and technical, moral, intellectual and political training, which may enable it to take its place at the earliest moment, by accelerated penetration and growth in all the organs and all the departments of the State, on the basis of a well-determined programme of the gradual reconstitution of the present political and

economic institutions. With which intent, and given the momentary weakening, caused by the industrial crisis of the direct action of the Trade Unions, and the resultant strengthening of the hope of the workers in Parliamentary action, the Congress recognises the necessity of extensive liberty for the Parliamentary group (under the control, naturally, of the whole Party), in the development of Parliamentary action towards the other parties and the Government, with the purpose of profiting by every favourable circumstance to facilitate the increase of working-class political power.

The Congress affirms the sterility of all the reconstruction attempts on the bourgeois-nationalist-protectionist basis, and substitutes for them the conception of an essentially international free trade action, of world peace and solidarity, for which it counts only on the work of the internationally organised proletariat.

But, although paying homage to the work of the Third International, inasmuch as it gave expression to and expresses the live and implacable protest of the Russian revolution against the crimes of the Entente and the fatal imperialist hegemony of the Western Alliance of Powers, victorious at Versailles, the Congress places on record the historical, psychological and economic impossibility of a mechanical application, in an identical manner, of the methods and principles which circumstances imposed on that revolution, by other peoples of a totally different civilisation and in a different stage of economic and political evolution; and calls for the establishment of an international organisation more real and more comprehensive, more active and creative, and not tied down to the political necessity of the defence of only one State, and situated more centrally to enable quicker co-operation of all attempts of the Socialist proletariats of the West, as well as of the East, so as to counter-attack one by one the actions and manœuvres of the diplomacies of the dominant European States; in this it sees the only means of overcoming the dangerous dualism between the Trade Union International and that of the Socialist Parties.

So as to carry out this vast and urgent task in both the national and international field, the Congress finally proclaims the necessity of reconstructing the Party Executive for quicker action, and admitting into its ranks the permanent representation of delegates of all organisations forming part of Socialist proletarian life: the Parliamentary Group, the Confederation of Labour, the Socialist Press, the League of Municipalities, the Co-operative Movement, etc., so that the Executive, keeping itself in more immediate contact with the various aspects of complex Socialist action, can at any moment and from any sphere bring light to bear on its work, and instil in a more direct manner into all the organisations the lofty spirit of the Party and the live inspiration of Socialist ideology.

TURATI—BALDESI.

After the vote on policy had been taken, a statement from the Executive of the Third International was read to the effect that the decisions of the Third Congress clearly showed that the Italian Socialist Party should expel the reformist element if it desired admission to the Third International. As it had failed to do this, the only party in Italy affiliated to the Third International was the Communist Party. The Socialist Party replied with a letter reaffirming its adhesion to the Third but refusing to support the demand made.

MESSAGE FROM THE THIRD INTERNATIONAL.

After the Congress vote on the policy of the Italian Socialist Party, the delegation sent from the Executive Committee of the Communist International to the Milan Congress declares:

That the Congress, by a large majority, has rejected the Lazzari-Maffi-Riboldi motion which called for the immediate expulsion from the Party of the reformist fraction, the Centrists, formed at Reggio Emilia in 1920;

That on the contrary the Congress has voted for a motion which, whilst condemning in words collaboration with the bourgeoisie, actually accepts and recommends it, thus constituting a capitulation to the reformists;

That this vote is in direct contradiction to the resolution on the Italian question, voted unanimously at the Third World Congress of the Communist International, and constitutes a flagrant violation of the unanimous and solemn undertakings contained in the Bentivoglio resolution, voted at Leghorn, to accept and carry out the decisions of the Communist International Congress;

In view of this fact the delegation of the Executive Committee declares that the Italian Socialist Party has definitely excluded itself from the Communist International.

The delegation is convinced that the transfer of the Italian Socialist Party to the reformist camp, and its collaboration with the bourgeoisie, as well as its rapprochement internationally with the enemies of the Communist International and Soviet Russia, will open the eyes of many workers, who up till now remained in its ranks, deceived by the revolutionary phrases of leaders and their appeals for unity, which merely meant unity with reformists and with the bourgeoisie, and spur them on to join up with the Communist International.

The spontaneous formation, in the very heart of the Congress, of the Lazzari-Maffi-Riboldi group is the first symptom of this.

The delegation puts on record that, in view of the decisions of

the Third World Congress, the only section of the Communist International in Italy is that of the Communist Party of Italy.

The delegates of the Executive Committee.

CLARA ZETKIN, HENRI WALESKI.

Milan, October, 1921.

REPLY OF THE ITALIAN SOCIALIST PARTY TO THE THIRD INTERNATIONAL EXECUTIVE.

You have already demanded once before the immediate expulsion of the Reformist Section from our party; to attain this object you have used every means of persuasion, including that of sending her for whom we have the greatest respect because of the laurels she has won in the struggle to defend the rights of the proletariat. But despite your exhortations, the Congress has, by 75,000 votes to less than 4,000, decided in favour of the unity of our movement; and even the opponents (that is Lazzari, Maffi, Riboldi) have declared—perhaps at your express wish—that they will not leave us. All this proves that a split in the Socialist Party at the present moment and under existing conditions is viewed by everyone as a most serious blow.

But at the same time—with an equally large majority—and contrary to your statements, the Congress has denounced collaboration with the bourgeoisie, and has excluded it in most definite and clear terms by its programme and by our Party tactics, depriving our adversaries and enemies of all hope and making the position of the Social Democrats clear.

By this vote we also wished to confirm our implicit adhesion to the general principles of the Third International, which the misconception of the Executive Committee and the violent polemics after the Leghorn split have rendered platonic up till now. Still, we cannot be held responsible for the fact that the Leghorn vote has failed to be realised. Tell us if a Party which respects itself and which is conscious of having done its duty can be well disposed towards an organisation which, completely failing to realise its interests, treats it as you have treated us?

The Executive of the Italian Socialist Party:

BARATONO, G. CORSI, FIORITTO, PARPAGNOLI, SERRATI, VELLA.

SHORTER NOTICES

THE BRITISH LABOUR PARTY AND THE VIENNA INTERNATIONAL

IN London, on October 19, representatives of the British Labour Party Executive and the Committee of the Working Union of Socialist Parties (the "Vienna" International) met to discuss the possibilities of forming a single International. The initiative for these negotiations was taken by the British Labour Party in accordance with the recommendations of the Geneva Congress of the Second International in 1920, and the resolution passed by the Brighton Conference of the British Labour Party last June:

That, in view of the present position of the Labour Movement throughout Europe, and the changes in the International Socialist Secretariat, this Conference instructs the Executive to take steps to secure that the position of the Second International shall be strengthened, that its democratic foundations as opposed to dictatorship shall be accepted, and that invitations shall be sent out to all Labour and Socialist bodies throughout the world inviting them to attend a Conference from which a comprehensive International may arise; this Conference also calls for a consultation between the Vienna International Committee and the Executive of the Second International Committee to promote unity and prevent further division.

The Conference was without result, and at its close the following Notes were exchanged, expressing the divergent positions.

THE WORKING UNION OF SOCIALIST PARTIES TO THE EXECUTIVE OF THE BRITISH LABOUR PARTY

We recognise with great satisfaction the complete agreement of the Labour Party Executive and our own Executive with regard to the present unsatisfactory conditions of the International organisation of the class-conscious proletariat.

We are at one with the representatives of the British proletariat in the keen desire to put an end to the present humiliating weakness of the international proletariat by constructing an all-inclusive International.

The goal is a common one. The difference lies in the estimate which we make of the actual possibilities and in the methods of reaching the goal.

Unlike the Labour Party, we are of opinion that under present conditions it is impossible to deal with new forms of organisation, but rather that international unity must be sought through common action and in the common class struggle.

We are, therefore, not of the opinion that the summoning of a general conference at an early date would serve to strengthen international relations. On the contrary, we think that it would rather hinder a subsequent advance towards international organisation.

But even if such a conference were opportune, we should be unable to

accept, as we regard the basis as much too narrow. The aim of the Vienna Working Union is a much more far-reaching one than that which is expressed in the Labour Party's plan.

Our desire is to unite at the appropriate moment *all* the forces of the class-conscious proletariat in an international union, while the proposal of the Labour Party not only leaves out for the present the parties affiliated to Moscow, but it would not, for example, even enable the Italian Socialist Party, indispensable as it is for international action, to take part in the conference.

We must, therefore, continue to pursue, with determination, the much higher aim which the Vienna Conference of February, 1921, has set before us.

The representatives of the Labour Party have declared that the members of the Executive Committee of the union of parties known as the Second International are prepared to resign provided that the Executive of the Working Union would do the same, and even that they are prepared to dissolve entirely the Second International provided the union of the world proletariat can be facilitated thereby.

The representatives of the Vienna Working Union have no mandate to make a similar declaration, nor are they of opinion that under present circumstances a step of this kind on the part of the Working Union would serve the purpose of international unity.

We are rather of opinion that the hope of creating an International which will embrace the whole revolutionary proletariat is rendered more possible of fulfilment by the existence of our Vienna Working Union, which we regard only as a means of creating an all-inclusive International.

Our standpoint on the question of possibilities and methods with regard to the creation of an all-inclusive International is laid down without ambiguity in the resolutions of the Vienna Conference of February, 1921, and in the letter which we sent to the Labour Party on July 11, 1921.

It is true that we regard the difficulties in the way of the creation of a true International as being more serious than the Executive of the Labour Party, which takes as its starting point the conditions prevailing in England, conditions which are far less complex than those on the Continent.

Nevertheless, we are convinced that the union of all proletarian forces in definite common action, especially in the fight against counter-revolutionary reaction, imperialist warmongers and imperialist exploiters, against the growing misery of the working class and the famine in Russia, will develop in an ever-increasing degree.

The union of the proletarian forces which took place in Germany after the Kapp Putsch, and after the murder of Erzberger, appears to us as an example of common action of the kind referred to.

We are convinced that such common action can be promoted in a high degree through discussions for purposes of information, such as that which we have had to-day with the British Labour Party.

As we have already made clear to the Labour Party in our letter of July 11, 1921, we are always ready for such discussions with any parties to whatever international grouping they may belong.

We recognise that the important position occupied by the British Labour Party in the world proletarian movement entitles it to promote such

discussions, and therefore the Vienna Executive will be interested to hear from you respecting any further proposal you may make.

REPLY OF THE EXECUTIVE OF THE BRITISH LABOUR PARTY

To the Bureau of the International Working Union of Socialist Parties.

Dear Comrades,—We are in receipt of your communication following upon the discussion we had with you yesterday, and we regret that you have decided to refuse co-operation in an immediate attempt to bring together the disrupted sections of the International Working Class movement, but rather that you will continue to put obstacles in the way of such a meeting.

We must point out to you that it is not correct to suggest that we intended to place difficulties in the way of the Italian Socialists attending the proposed Conference; in fact, we had already extended to them an invitation.

We did not propose, for the moment, to invite the Communist parties because their methods are so diverse as to make co-operation impossible.

Your own declaration contains evidence of our strong desire for unity, but we would again remind you of the position as stated at the conference on our behalf.

The present position of the Socialist and Labour Movement in Europe is an extremely painful one.

We have warring sections, no unity of effort, division of energy, sections working against each other instead of helping each other; and the desire of the British Labour Party is, if at all possible, without recrimination, to bring together all the parties who are seriously desirous of having a united movement in order that they may work out a basis on which we can have one International.

We proposed to send invitations to all the Socialist Parties to meet together, without prejudice to their existing international relations, to work out this basis for a unified International, and we requested the Vienna Union on its part to recommend its affiliated organisations to come together and by coming together try to bring about a solution of the difficulty. The Vienna Union declined to make that recommendation.

It has always been the intention of the Executive of the British Labour Party to make the basis of the proposed conference as wide as possible, and to endeavour to secure that any agreed basis for the future Socialist International would secure to each Socialist group freedom to work in its own country in accordance with its own means towards its Socialist goal, but with the common determination to bring about Socialism.

As further evidence of the desire for a unified International the officials of the " Second " International, as your declaration shows, were prepared to recommend the dissolution of the " Second " International immediately the new basis of agreement had been accepted, and provided the Vienna Union were prepared to take the same steps in order to secure unity.

What we have stated is complete evidence of our anxiety to attain whatever concentration of Socialist forces is possible at the present moment. It is clear from your declaration that the object of the Vienna Union is

to prevent any substantial progress towards International Unity until the Communists have so modified their position as to make their co-operation with all other Socialist Parties in the world possible.

This indefinite postponement is indefensible, and the Executive of the British Labour Party therefore regrets that its efforts towards an all-inclusive Socialist International which had succeeded so far as the "Second" is concerned to the extent stated in this communication should have been prevented from coming to a satisfactory conclusion by obstacles presented by the Vienna Union.

On behalf of the Executive of the British Labour Party,

(Signed) ARTHUR HENDERSON, *Secretary.*

TRADE WITH RUSSIA

SINCE April, 1920, Russia has been gradually resuming trading relations with foreign countries, and as each new trade agreement was signed the imports increased.

During 1920 the total import trade reported was 87,000 tons; of which £1,970,000 worth was purchased in Great Britain. Up to the end of July, 1921, a great increase in trade is reported with a total of 278,000 tons; £3,650,000 worth was purchased in Great Britain, if including August purchases. These figures show that the money value of imports into Russia from Great Britain is gradually attaining the pre-war standard, which was an annual average of £14,000,000.

Chief amongst countries exporting goods to Russia: Great Britain, Germany, United States, Esthonia, Sweden, Holland; prior to July Great Britain headed the list, but in July the exports to Russia from the United States were the largest.

Russian exports have not as yet assumed large dimensions; the available figures show that for the first six months of 1921 the total tonnage was 43,000. Exports to Great Britain to the end of August of the present year amounted to £300,000, and of this £168,000 was for flax alone.

THE FRENCH TRADE UNION CRISIS

THE conflict within the French trade union movement has been carried a stage further by the decision of the National Executive Committee of the Confédération Générale de Travail, held on September 19—20. The history of the dissension between the official majority of the C.G.T. and the revolutionary left wing section organised in the C.S.R. (Comité Syndicale Révolutionnaire) has been already fully dealt with in the issues of the LABOUR MONTHLY of July and August, so that it is only necessary to recall that at the Lille Congress in June the expulsion of the C.S.R. was approved on principle, but no actual split took place, and the

minority showed a very great increase in strength. The National Executive Committee has now approved a resolution which calls definitely and by name for the expulsion of the C.S.R. and all elements associated with it; and the C.S.R. has replied with a manifesto in favour of trade union unity. The Executive resolution was carried by 63 votes to 56, with 10 abstentions. A Minority Congress has been summoned, to be held in December.

RESOLUTION VOTED AT THE NATIONAL EXECUTIVE COMMITTEE OF THE CONFEDERATION GENERALE DE TRAVAIL, SEPTEMBER 20, 1921.

The National Executive Committee draws attention to the fact that the decision of the National Congress at Lille had for its objective the maintenance of Trade Union unity by respect for matters of discipline, necessary both for action and all preliminary preparations.

The National Executive Committee is specially anxious to ensure complete liberty of opinion, and maintains that this liberty can only find real force in the strict observance of the decisions and principles expressed by the Congress;

Further, that the meeting of the Minority Congress on the day following the National Congress, with a view to strengthening the organisation of the C.S.R. (Comité Syndicale Révolutionnaire) on the basis of national and departmental bodies, thus forming a C.G.T. against the C.G.T., was a demonstration against the decisions arrived at by the Congress;

That the process of replacing trade union action and propaganda by that of the C.S.R. and that of the Federations by the federal sub-committees, has led to a disintegration of working-class forces which cannot be disguised;

That this disruptive and separative tendency is the work of the C.S.R. which justifies its action by declaring for liberty of opinion;

The National Executive Committee, however, is resolved to explore every possible means of arriving at the useful collaboration of all elements and tendencies for our common objective, and affirms that such collaboration is only possible by denouncing the C.S.R. organisation responsible for the present deadlock;

It therefore authorises the National Bureau and the Executive Committee to insist on strict obedience to the resolution carried at Lille from all affiliated organisations which are empowered to proceed against indiscipline of the nature stated.

It therefore decrees:

That organisations which refuse to bow to decisions made and cooperate in carrying them out deliberately put themselves outside working-class organisation. The C.G.T., however, will admit into its ranks, the minorities of such bodies prepared to accept the decisions of the National Congress.

The National Executive Committee reiterates the substance of the resolution voted at Lille as follows:—

1. The C.G.T. has always stood for full and complete liberty of

opinion within its ranks, without either limitation or restriction. This liberty does not extend to trade union regulations.

2. The C.G.T. being above all a working-class fighting organisation, can only fulfil its purpose on condition that in all action a minimum of discipline is observed.

Such discipline is to take the form of respect for all decisions and statutory regulations by the various national and international trade union organisations.

All breaches of discipline may result in expulsion.

3. Trade Union Organisations may not adhere to any non-trade union grouping, whether it be philosophical or political, without constituting a breach of discipline. Above all they cannot adhere to the C.S.R.

4. Trade Union unity, more essential now than ever, can only be maintained through courtesy in discussions and criticisms and by the mutual respect of the militants.

The C.S.R. held a meeting on September 27 to consider the situation arising out of the vote taken at the National Executive meeting; and in a declaration to the French workers it deplored the adverse decision arrived at by the C.G.T. and stated its position as follows:—

REPLY OF THE COMITE SYNDICALE REVOLUTIONNAIRE TO THE CONFEDERATION GENERALE DE TRAVAIL.

The C.S.R., which is firmly devoted to Trade Union unity, for which it has made as many sacrifices as revolutionary Trade Unionism could permit, has been expelled from the C.G.T. by a vote procured by a relative majority. . . .

In view of the present position the C.S.R. fully intends to shelve the whole responsibility for this criminal action, together with its consequences on to the National Majority, which did not hesitate, in conjunction with the forces of reaction, to sacrifice the splendid movement of the strikers in the North and the Vosges, who, over the heads of their leaders, united for action.

The declaration then enumerates various previous independent movements on C.S.R. lines within the C.G.T. which were not thought conducive to indiscipline or splits, and concludes:—

The Central Committee of the C.S.R., having fully considered the course of events, takes cognisance of the National Executive Committee vote, in itself a declaration of the dismemberment of the working-class movement as organised in the C.G.T.

Being fully prepared to face any eventualities which may arise, it invites the Trade Unions, the Minority Unions and Federations which have been expelled, or could be, to observe strictly all instructions which they may receive in the course of events from the Bureau of the Central Committee.

No organisation whatsoever should be formed before the Central Committee has given full instruction of its nature and methods.

It will be the duty of a minority-congress to make definite decisions on the course to be taken in view of the split which is certain to take place.

The Central Committee, in this difficult time, counts on the voluntary discipline of its supporters (the unity of individuals and societies) to maintain intact the revolutionary minority Trade Union, and to overcome this painful situation, which creates a split that it has always fought against, and which it still rejects with all its strength.

FRENCH SOCIALIST CONGRESS

THE Congress of the French Socialist Party met in Paris on October 29—November 1. About 300 delegates attended, representing the present party strength of 55,000 members. In December, 1920, at Tours, the Congress decided by 3,208 to 1,022 votes for affiliation to the Third International, with the result that the majority formed itself into the Communist Party—present strength 130,000—whilst the minority remained as the French Socialist Party, which now held its first congress in its truncated form. Again the International position was fully discussed, and in conjunction with the numerous foreign delegates present it was decided to form an International Committee of Action, the preliminaries for which would be carried out by the Bureau of the "Vienna" International in conjunction with the British Labour Party. The resolution was passed unanimously, and is as follows:—

RESOLUTION ON THE INTERNATIONAL SITUATION

This Congress, at the joint instigation of the representatives of the Socialist Parties of Germany, England, Switzerland, Belgium, Holland, Sweden, Poland, Spain, Czecho-Slovakia, and Georgia, who are all agreed on the necessity of a regrouping of the world proletariat, invites the Bureau of the Vienna International to get into touch with the British Labour Party so as to decide on what lines an appeal could be addressed to the various political bodies constituting the world proletariat (Vienna, London and Moscow) and to those parties actually unattached to any International, with a view to the establishment of an *International Committee of Action.*

It would be the duty of this committee of action to organise the world proletariat for united action in both political and economic crises; in the case of war, resulting from capitalist, national and international dislocation, and imperialist issues necessitating instant and united action.

In making this proposal the Socialist Party is acting in the spirit of the Strasbourg Congress, which decided in favour of the reconstruction of the International on the basis of Marxian Socialist principles.

This Congress suggests that the Vienna Bureau, in conjunction with other international organisations, should consider the advisability of establishing an international information service to make all such action effective.

This Congress further invites the Parliamentary groups of the Socialist Parties within the Vienna Union to establish an inter-Parliamentary com-

mittee for the interchange of documents, suggestions for laws, and collaboration in drafting a common basis for laws to be launched simultaneously in the different Parliaments.

LABOUR GAINS IN SWEDEN & NORWAY

DURING the latter half of September a general parliamentary election took place in Sweden. The election was held on the new franchise, which trebled the electorate by the adoption of women's suffrage, the reduction of the age limit, and the removal of other disqualifications. The result of the election shows a striking advance in the vote of all the Socialist parties at the expense of the capitalist parties. For the purpose of the election the three sections of the political Labour movement in Sweden, the majority Social Democrats under Branting, the Left Socialists and the Communists, combined their lists on a single Labour ticket. This policy brought gains for all three sections, the figures being:

	Votes.	Seats.	Gains or Losses.
Conservatives	449,000	61	−9
Peasant Union	192,000	22	−8
Liberals	332,000	41	−7
Right Socialist	633,000	93	+18
Left Socialist	45,000	6	+1
Communist	89,000	7	+5

At the Norwegian General Election at the end of October the results reported show 29 Communists and 8 Socialists returned. This is a striking advance on the previous election in May, 1920, when the combined Labour Party before the split only obtained 18 seats. The Labour Party became the Communist Party at the end of last year, when the small Right Socialist section broke away to form the Social Democratic Labour Party.

BOOK REVIEWS

THE WORLD IN REVOLUTION

La Révolution Mondiale. Charles Rappoport. La Revue Communiste, 17, rue Grange Batélière, Paris.

La Révolution ou la Mort. Raymond Lefebvre. Clarté, 16, rue Jacques Callot, Paris.

La Loi des Riches. Jean Rostand. Bernard Grasset, Paris.

FOR at least two of its intellectuals—Charles Rappoport and Boris Souvarine—French Communism is indebted to Slavonic Jewry. Both men have brought to the movement the immense industry, the piercing logic, the Oriental patience and that terrible scorn of polite sophistry that distinguish Lenin, Zinoviev and the other master-artisans of the Third International. The enormous facilities for dramatic epithet that the seizure of the Moscow wireless station gave the leaders of the Bolshevik revolution during the war could not but create writers in the Olympian style, hurling thunderbolts like Jove, and truths that illuminated and blasted like the lightning. Charles Rappoport, though no Olympian figure in the flesh, has caught something of this celestial manner. He rushes through print like a meteor through space, shedding epithets like sparks. He has an epithet for everybody and everything; and each fits better than a fool's cap. It was he, I believe, who first applied to the Vienna Reconstructors that devastatingly simple label of the "Two and a Half International." That label stuck fast, and since then, in the hard wear and tear of time, the word "half" has become more and more indistinct. Rappoport's prophecy was shrewd enough.

One never forgets the remarkable physical personality of this philosopher of French Communism, as he has been called—short and broad with thick spectacles and a formidable beard, and an accent harsh and atrocious in all the twelve languages he speaks. Even in this remarkable book on the World Revolution (a collection of essays written during 1919 and 1920), his body and mind are but one unity in the mind of the reader. Always he is—as I saw him on the platform of the historic Tours Congress—that aggressive and menacing figure of a Marxian, shaking the fist of logic relentlessly in the face of a capitalist world, chuckling with a grim and sardonic good-humour, pitiless and unanswerable in argument, and brilliant and audacious in epithet.

Nowhere is Rappoport more grimly effective than in his exposure of the Marxian who daily betrays Marx. Himself one of the most scholarly and documented exponents of Marx in France, or even in

Europe, he retorts on the Reformist interpretation of Marxian action with Marx's own exclamation—"Whatever I am, I am not a Marxian"—and with Proudhon's impatient derision of the Proudhonians—"What fools!" Rappoport looks out through his thick spectacles with sparkling eyes on a world in revolution. Those Socialists who talk reassuringly of a day on which Capitalism shall founder suddenly like a leaking ship are for him either mendacious or blind. There is no golden day of Revolution. The Revolution is here, and the tiller of it swinging aimlessly with the tide, waiting to be grasped by strong hands and held steady. And until the masses are ripe for Communism, that tiller must be left in the hands of "the dictatorship of the proletariat," which—Rappoport does not conceal this from himself—may mean for a time the *dictators* of the proletariat.

For the detractors, the little cold critics, the calumniators, the faint-hearted, the traitors and the renegades of the Russian Revolution, Rappoport has a general and genial scorn. Merrheim, that bitter little dark man of the French Metal Workers' Federation, he describes as attacking the Revolution daily with quotations, and making war on it with press-cuttings. Martoff, Adler, Longuet, Crispien and the other innkeepers of the Vienna Half-Way House, are "the martyrs of opportunism." Hervé and Bourtzeff—that strange and malevolent combination—are one with Briand and Viviani and Millerand—marooned on their barren island of abandoned ideals, and shouting execrations at the vanishing sails of the only adventure that might have saved them from their own desolating ambitions.

The title of Raymond Lefebvre's little book—"Revolution or Death"—seems now like a premonition of the epitaph that his friends might afterwards have chosen for this tragic and brilliant young man's grave—if his grave were not to be lost forever in the wild dark waters of the Gulf of Finland. The nascent Communist Party in France suffered no worse blow than the death of Lefebvre, even though his death should come to prove an inspiration. He was one of the most ardent of the younger Communists, an intellectual tempered—like Barbusse—by the fire and terror of the war, a poet of distinction, and in all a very pure spirit. In this booklet, one of the slender stock of political writings he left behind him, he cries out upon the men who betrayed the peace, but is grateful to them nevertheless. "For had Capitalism had, at Versailles, the wisdom of being humane, it might have lived to reach an intolerable old age."

Some day somebody will write the story of the young men in all the belligerent countries who, though in the war, were not of it, and before its end turned violently against it. England had its Siegfried

Sassoon; France its Barbusse, its Vaillant Couturier and its Lefebvre; Germany and Russia had their young men of the same poetic and rebellious temper. When that book is written it will serve to recall, like the life and death of Raymond Lefebvre, that the Revolution is the Revolution of the Young.

Jean Rostand, one of the two brilliant sons of the dramatist, and a very fair Socialist, has written in "The Law of the Rich" a satire on social relationships that reminds one irresistibly in its manner of the inimitable "Letters from a Self-Made Merchant to his Son." M. Rostand's character, dispensing paternal counsels of perfection to his own impatient offspring, recalls that memorable declaration of M. Lépine, one of the most famous of Paris Prefects of Police. Said M. Lépine one day in a great passion: "There is too much philanthropy about." And improving on that moral, the wise parent impresses on his son the necessity of being always on the aggressive in one's relations with the poor. "Instead of extending our hand to them, let us rather shake our fist!" But in England, it seems, the rich have no need of that lesson.

G. S.

NEW WORDS FOR OLD

Proletcult. By Eden and Cedar Paul. Leonard Parsons, New Era Series. 4s. 6d. net.

THE movement for Independent Working Class Education is not—was not at any rate until quite recently—well known even among Labour people. It is, however, of fundamental importance, and during the next few years is destined to become more and more a force to be reckoned with. Present dissatisfaction with the results of industrial action and the enforced idleness of huge masses of the workers tend to increase the demand for classes. It is a striking fact that many unemployed workers, instead of walking the streets endlessly and hopelessly, are setting themselves to carry out definite research work in the public libraries. The more serious minded workers turn to "education" now, not as an anodyne or even a "stepping stone to higher things," but as a stimulant.

This book is a very useful one and should be read by opponents as well as by sympathisers. It gives—for the first time in anything like detail—a general survey of the movement, outlines its gradual development from less clear-cut organisations, and emphasises its special aims.

Its chief fault lies in the fact that the authors are inclined to let their own mannerisms and pet phraseology get in the way of a straightforward account. One feels that the history of Independent Working Class Education—of all things—should have been phrased

rather more simply. A plain message to ordinary people is a necessity in these days, and Eden and Cedar Paul should be clever enough psychologists to know the importance of not irritating your audience. We could wish that they would cultivate the lighter side of their style, as, for example, on p. 52, after quoting the *Spectator* —"Along the broad highway of congenial study, postman and professor, manual labourer and university graduate, journey in complete amity"—they remark, "but whither is your highway to lead? Round and round the mulberry bush?" That comment sticks in the mind, whereas a sentence like—"Primarily, as has been said, ergatocratic culture, workers' culture, proletarian culture, Proletcult, is a fighting culture, aiming at the overthrow of capitalism, and at the replacement of democratic culture and bourgeois ideology by ergatocratic culture and proletarian ideology" —merely sticks in the gullet!

W. H.

THE DYNAMICS OF INSECURITY

The High Cost of Strikes. By Marshall Olds. Putnam's Sons. 15s. net.

The Labour Movement: Its Conservative Functions and Social Consequences. By F. Tannenbaum. Putnam's Sons.

SOME persons hold a brief, but are cunning enough to conceal the fact from themselves and others by an assumed air of impartiality. Other more naive persons hold a brief and make no attempt to conceal the fact. Mr. Olds, whether to his credit or his discredit, must certainly be classed among the naive rather than the cunning pleaders.

Mr. Olds is a "100 per cent. American"—the sort of American who delights to make out that his political opponent is an unnaturalised alien. This accounts for a great deal. It partly explains why he expounds in this book a view which in England to-day one seldom hears outside the senile grumblings of the *Morning Post*, and which even among the Federation of British Industries is regarded as a mere historical antiquity. To Mr. Olds all Trade Unions are bad "in se." They are instruments of destruction disturbing the tranquil beauty of a best of all possible worlds. All strikes without exception are indulged in merely through sheer "cussedness" on the part of the workers; while the "scab" is his ideal of the free American workman, to be protected at all costs from the "tyranny" of the Unions. His panacea for all ills is "100 per cent. Americanism," Democracy, and legal prohibition of strikes. The crudeness of his case can be seen by the following propagandist slogans with which he prefaces most of his chapters, and of which his book mostly consists:—

" From February to June, 1920, you paid about twice as much as you would otherwise have paid for your fresh vegetables on account of a strike." " When you had to pay 55 dollars for a suit of clothes during 1919, 20 dollars of that price was due to strikes." " Strikes made potatoes cost 4 dollars more and rent 32 dollars more."

As it happens, the whole of Mr. Olds' case is answered by two short sentences of Mr. Tannenbaum's book, which dives deeper into the problem of the dynamic tendencies of the present system than Mr. Olds, being a special pleader, dares to do. " The strike," says Mr. Tannenbaum, " is evidence of the weakness of the workers, of their being in a subordinate position. . . . With the disappearance of industrial autocracy will probably come the elimination of the strike." In fact, the substance of Mr. Olds' book, when one has probed to its foundation in fact beneath its propagandist crudities, merely lends weight to Mr. Tannenbaum's main contention. The latter's thesis is that the characteristic feature of the machine age is insecurity. This insecurity affects most powerfully the propertyless worker, who is a slave to the machine. This inevitably forces upon the worker a struggle to obtain greater security. This struggle inevitably takes the form of a struggle to control the machine, not through the conscious volition of the worker, but from the nature of his environmental relations. But Labour can only do this by putting more and more restrictions on the " freedom " of the employer, and so on the efficiency of the machine. As inevitable is the further tendency, resulting from this fact, for the worker to take over the complete control of the machine as the only way of ultimately solving the problem of his insecurity under Capitalism. Thus, whether it is conscious of it or not, this end—control of industry—is immanent in the Labour movement even in its earliest and most conservative phase. This conception in its totality is a valuable one; and Mr. Olds, in showing the increasing social cost of the industrial friction generated by the relations of the machine age, is merely lending concreteness to Mr. Tannenbaum's conception.

Mr. Tannenbaum has an aptitude for summarising very neatly profound truths in a few words, such as the following:—

" Just as to the farmer all things have a sense of permanence, so for the worker all things are transitory."

" Men are both more equal and more unequal than ever before in the history of the world. They are more equal as men, and less equal as possessors of wealth."

" Men who have been on strike, who have been clubbed by the police, and who have been persecuted, know something about the facts of the class struggle, if they know little about its theories."

" A Labour Union is revolutionary in fact. It is not the expressed desire to change the world; it is the change already embodied, if not completed."

His definition of the Dictatorship of the Proletariat is as follows:

"Its real contribution to political practice and ideas lies in the fact that it has drawn the simplest distinction between man and man and made that distinction the basis of citizenship. The requirement for citizenship is Labour. Governments have at all times determined the conditions upon which they admitted the individual to citizenship."

Mr. Tannenbaum's style is simple and lucid. He writes in a succession of short vivid sentences which succeed one another in an easy flow. On the other hand, his book suffers several of the deficiencies of the "popular" work. While it presents old truths with an epigrammatic precision, it contributes little that is new in ideas. An exception to this, however, is his chapter on "Producer and Consumer," which is well worth study, as giving the reasons for rejecting the distinction between consumers and producers in a Workers' Community. Another defect is that its descriptive side is tinged throughout with a too facile optimism, which causes him to gloss over important points with the assurance that all is working for the best. Mr. Tannenbaum's optimism has something in common with Mr. Olds' pessimism, when he tries to show that Labour Leaders of the Gompers type are really in their unconscious selves revolutionary.

But although there is little in this book for the student of sociology that he has not already thought of before, it makes easy and instructive reading for the ordinary person; and in this capacity it would be invaluable in dissipating some of those crude illusions of persons whose knowledge of the Labour Movement is confined to such books as those of Mr. Olds.

M. H. D.

THE LABOUR MONTHLY

A MAGAZINE OF INTERNATIONAL LABOUR

Vol. 1 15th DECEMBER, 1921 No. 6

PRINCIPAL CONTENTS

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

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

THE

LABOUR MONTHLY

A Magazine of International Labour

VOLUME I DECEMBER, 1921 NUMBER 6

CONTENTS

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

NOTES of the MONTH

The Bursting of a Bubble—Washington and the Worker—Submarines instead of Battleships—Chemicals—France's Rôle—Britain, America and Japan—The Fate of China—China and Russia—Other Conferences

WHEN we announced last month that we could safely leave the Washington Conference to comment on itself, we calculated on a certainty in which there was no pretence of risk. But we did not calculate on the dramatic speed with which the inevitable would happen. It took fourteen years for the mummy of The Hague Conference to be finally relegated to the museum of history. It took three years from the time when the name of President Wilson was on the lips of men like the name of a new Christ, to the present day, when his pathetic figure survives for the pity and the oblivion of the world. But it has not taken as many weeks for the bubble of the Washington Conference to burst, and for the very journals and statesmen who were painting it in colours which would have made the millennium look indecent to be now already uttering the words of failure and disillusion. Nor has the final evidence of failure been wanting. Already the hopes of the credulous are fixed on a Second Conference which will repair the omissions of the first. Satire could not devise a more effective summing up of the eternal story.

THE problems of the world cannot be solved by a meeting together of capitalist governments, since it is the existence of capitalist governments that creates the problems. That is the lasting lesson of the present epoch, that has only been re-inforced by the Washington Conference. The particular issues, the particular stumbling-blocks that have upset the present attempt to reach a settlement of the dilemmas and contradictions of world Capitalism to-day, are examined in detail in the article of W. N. Ewer

in the present issue. No one who reads that article can fail to see that the atmosphere of Washington is only the atmosphere of Versailles in a new form, that we are still living in the same world of veiled rivalry and economic bargaining, and that the appearance of agreement in one quarter is only the signal for the outbreak of fiercer competition in another. This general lesson, just because it is so general, is the easiest to be forgotten. In the chess-board tactics of diplomacy and finance Washington may mean much: to the worker it can mean nothing but the shifting of the form of his burden and not the changing of its nature. It may limit battleships, only to transfer the rivalry to submarines and aeroplanes. It may seek to limit submarines and aeroplanes, only to transfer the rivalry to the more secret work of preparation in the laboratory. It may even cancel the international debts that stand in the way of the resumption of trade, but only to make possible the payment of the far more gigantic national debts that weigh upon the worker and the still heavier private tribute of investment and speculation. It may even condemn the indemnity imperialism of Versailles, but only to maintain the rival economic imperialism of Britain and America. Whatever the change, the situation only becomes intensified; and the Washington Conference, that was hailed as the inauguration of a new era for humanity, will remain only to be remembered as another landmark in the road to the next war.

THAT the Washington proposals for the limitation of armaments have not even a remote and hypothetical connection with what President Harding has called the "perfectly futile" notion of abolishing war, has now become generally understood. The limitation of armaments could not in any case be more than an attempt to standardise the existing relations of power; and even that attempt could not succeed, because the weapons of the future are never the weapons of the past. The actual significance of the naval limitation proposals of Mr. Hughes has been expressed with terse simplicity by Admiral Sir Percy Scott. "The policy of building battleships," he declares, "is a policy of the insane, for the conditions of naval and aerial warfare have wholly changed. . . . No nation is making sacrifices

by scrapping capital ships. It is only economising: it has suspended the process of wasting money in great and costly weapons that are of no fighting value. . . . The proposals put forward at Washington are not so much a measure of disarmament as of economy in armament." If this contention is true, then the significance of the Washington naval programme lies, not in its proposals as regards battleships, but in its proposals as regards submarines. Now what are the proposals as regards submarines? Is it yet generally realised that the proposed figure of 90,000 tons for submarines, so far from representing a limitation of building, actually represents an *increase* on the largest tonnage at present possessed by any Power? The significance of such a proposal coming from America to Britain after the experience of the last war was not lost on the British delegates. "Reading hastily," writes Colonel Repington, "one might derive the impression that the main idea of the American and Japanese delegations is agreement or regulation of the capital ships question, in order to substitute submarines as a cheaper and more effective method of warfare. This, of course, is not the British idea, and certainly misrepresents the lofty motives of President Harding." Whether the appeal to the lofty motives of President Harding will change this proposal in committee remains to be seen: but in the meantime America has given it to be understood that the reduction programme stands or falls together, and that, in the event of rejection, orders have already been given for the immediate acceleration of new building. Well might Lord Curzon utter his warnings, before the Conference had been in existence a fortnight, against "premature hosannas" on the result of Washington.

IF we turn from the naval aspects of the question to the other spheres of modern warfare, the position is still more striking. The war of the future, we are told, will be a war of aeroplanes and of chemicals. In neither of these directions is there, so far, any proposal of limitation; nor if any proposal of limitation were made is it likely that it could be made effective. The manufacture of commercial aeroplanes, and the commercial chemical industries, are alike

capable of rapid conversion in the event of war. What the chemical warfare of the future will mean has already been depicted with sufficient sensationalism by the experts of the various countries. "The next war," declares the Chief of the Chemical Research Development Division of the United States, "will kill and injure women and children hardly less than men, and may even destroy civilisation itself." And in regard to this, the real spectre of the warfare of the future, Washington is of necessity silent. Mr. Lloyd George spoke with his accustomed insight when he called the Washington Conference a rainbow. It is a rainbow in the sense that it is a mirage.

A TOUCH of reality was introduced into the discussion on armaments by the intervention of M. Briand. M. Briand came to make the familiar French speech to show why France, for the sake of civilisation, must conscript Africans to police Europe. His speech was received with the tactful consideration and sympathy that it deserved. America at once forbore to press the question of land disarmament, and M. Briand was able to return, well pleased with the success of his mission. America's treatment of France was in marked contrast with her treatment of Japan, when the latter attempted to plead for a seventy per cent. position of inferiority in place of a sixty per cent. position, and was met with insistent refusal. But Britain's indignation was immediate and without bounds. For France to maintain her army and to contemplate the building of a navy and an equality in submarines was to menace the existence of Britain. Such a prospect was to make the whole limitation of armaments a fraud. "It is not for Great Britain," declared Lord Curzon, "to accept or submit to sacrifices while others pass them by. . . . If we who are the greatest naval Power in the world, whose sea communications are the longest in the world, who have to defend coasts infinitely longer and more exposed than any other Empire in the world, who are dependent for our daily existence as a nation on the command of the sea—if we are willing to reduce our naval strength, let not other Powers be allowed to build up other engines or instruments of attack, either in the air or

under the sea, which may render our sacrifices nugatory, and which, so far from leaving us in the proud position of having set the example, may leave us in the perilous position of having incurred undue risk." The outburst of the Foreign Secretary was followed by the most ferocious anti-French diatribes in that faithful reflex of British governmental opinion, the Sunday Press. This storm has served to reveal a little where the land lies through the fog of platitudes. Why should Britain be so disturbed at the armaments of her Ally, France? Why should America be so apparently undisturbed at French militarism and submarine pretensions? Is it possible that Britain is calculating on France as a potential member of a hostile combination? And is it possible that American capital, already in so many ways financially interested in France, is beginning to look on France as a potential Ally? And in that case are we to conclude that in the event of an Anglo-American war France is to be the base which will solve the problem of the three thousand miles of the Atlantic?

THE hypothesis of an Anglo-American war is the only basis which will explain the schemings and counter-schemings of the Washington Conference. It is not so long ago that Lord Derby told us that "war in the immediate future" between Britain and America would be "inevitable" if the Washington Conference failed. On the same day President Harding declared that war between Britain and America was "unthinkable"—which is the best evidence that he was thinking about it. But the prospect of an Anglo-American war pre-supposes as much manœuvring for position before the opening of the war as did the preliminaries of the Anglo-German war in the fifteen years that preceded it. On the one hand, Britain is far too exhausted by her last encounter to be ready yet for the next and is therefore compelled to seek American friendship for the time being at almost any cost. On the other hand, the United States is anxious to separate Britain from Japan before the contest, and for this purpose to make some show of acceptance of British overtures for peace in order to isolate Japan. It is noticeable that the British overtures for peace, so soon as they attempt to include Japan in the understanding or to

propose a formal alliance, have been repeatedly met with sharp rebuffs (see the Imperial Conference Report and the speech of Colonel Harvey at Liverpool). It is just this measure of limited coincidence of aim at the moment between Britain and the United States that is the measure of "agreement" possible at the Washington Conference. The test of success at the Washington Conference for the United States will be the effective and material isolation of Japan. The test of success at the Washington Conference for Britain will be the maintenance of friendly relations with the United States without having openly and finally to break with Japan. The rôle that Britain is being compelled to play of forswearing her old ally, Japan, is not a pleasant one. She is compelled to swear that the Anglo-Japanese Treaty does not involve the remotest possibility of conflict with the United States; and America expresses polite scepticism. She protests that there are no secret clauses in the treaty; and American opinion recalls the secret clauses of the apparently harmless Entente with France that led to the German war. She even proceeds to bespatter Japan in her Press with all the abuse that was formerly reserved for Germany in order to show the completeness of the break; but America, too, is familiar with Press campaigns. She may in the end be driven to submit to the formal abrogation of the Anglo-Japanese Alliance; but even that will not be more than a formal victory for America. Nothing less will fulfil America's end than the actual material isolation of Japan, the relegation of Japan to a visibly inferior position, and the driving out of Japan from the expansion in China that Japanese capital needs far more than British or American. And so America's diplomatic aim comes to coincide with her own aim of economic expansion: both demand the driving out of Japan from China.

THUS China becomes the visible crux of the Conference (just as much as the Anglo-American war is the real and invisible crux). The rich resources, the docile labour and the vast markets of China offer the material stakes of the Conference. The past policy of the Powers in China has been the usual policy of violence and robbery, in

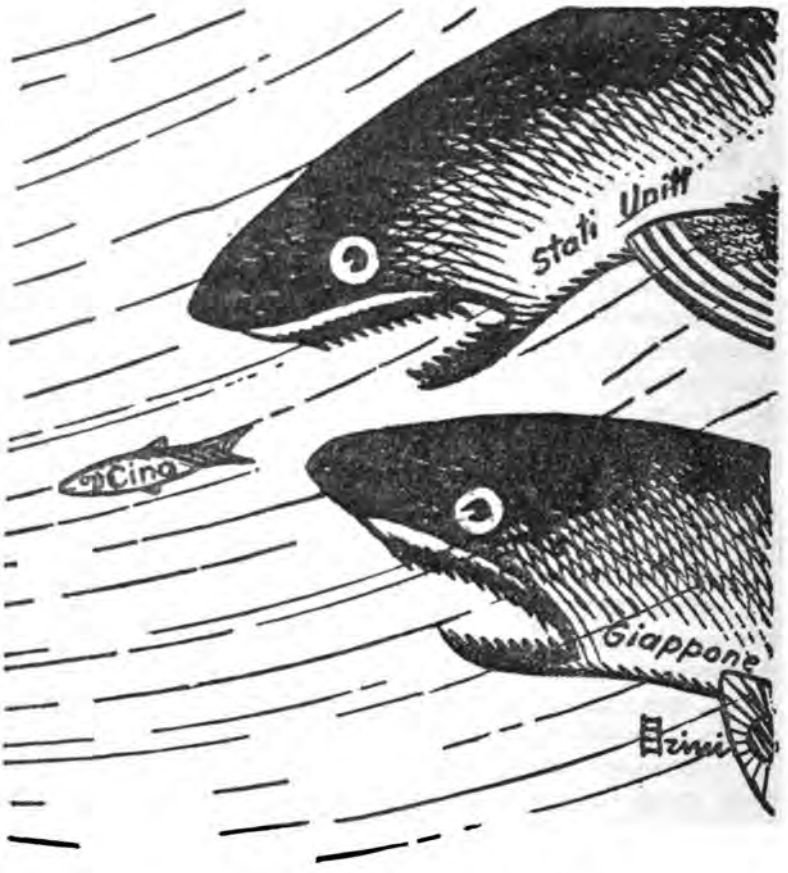
which partition has only been delayed by jealousy. Britain has played the chief part in this policy, ever since the triumphs of British arms in the Opium Wars "opened" China to Western commerce and won Hong Kong for Britain; and to-day Britain controls more concessions in China than any other Power, she dominates the shipping trade of China, and she has the largest proportion of any nation of the coal output of China. Nevertheless during the years of opportunity of the war Japan was able to push her "special claims" in China to the alarm of the other Powers. Now, however, a new factor enters the situation. Up to the end of the war the Powers concerned with China were the Powers of Europe and Japan: America was too busy with opening up her own resources to concern herself with what happened abroad. But to-day American capital is ready to expand; and in a moment all the old schemes of carving up China are swept off the Board. Mr. Harmsworth announces in the British House of Commons (October 31) that the old policy of "spheres of influence" has been thrown on one side and "superseded by one of international co-operation." Amid clamorous protestations of devotion to the "independence and integrity" of China (ominous phrase), schemes are put forward of international co-operation and international boards of control to "help China on her feet." Emboldened by the dissensions of the Powers, China issues notes of defiance to Japan, and puts forward a series of Ten Points embodying her claim to independence and sovereignty in a memorandum which is whispered to have been drafted under the guiding hand of the American State Department. The new position is now clear. The old schemes of partition are out of date; Japan is to be made to relinquish her special position and at best be satisfied with compensation "north of China," and the new scheme is to control China as a whole through the forms of international benevolence. But no forms of international concord and supervision, no proclamations of Chinese sovereignty, can diminish the reality of the fight over the body of China. Japan may be compelled to relinquish her formal claims in public: but her work of penetration will continue none the less. International committees may be set up: but the fight for concessions will still be a fight between nationals. The body of China may be kept in a state of sus-

pended dissolution: but the infection of that body will spread over the world until it breaks out in open war.

THIS is the one certain fact about the settlement of the Far East, that it will not settle the Far East. Whether agreement is reached at Washington or not, the biggest factors will have been left out of account. And the first of these factors is the Chinese themselves. Whatever settlement may be reached in Washington, will it settle the Chinese? Let it be assumed that Washington is successful beyond the most sanguine dreams of its promoters: that its "open door" brings all China under the beneficent sway of modern capital, and that its international concord enables China to appropriate the benefits of such a condominium as Egypt knew of old or Turkey. Will this settlement be the last word? Or will it not mean simply the concentration of the Chinese struggle into a single struggle against the forces of the foreigner and of capital at once, so that in China, too, as in region after region of Asia, the national consciousness becomes re-inforced by a social consciousness into one gigantic movement of insurrection. This, and not the paper settlements of Washington, will be the force of the future of China. And when that time comes, there will be another element to be remembered that is now left conveniently out of consideration, and that element is Soviet Russia. Soviet Russia to the Chinese, as to the rest of Asia, represents the new force that has shown the way in the fight against imperialism: it represents the strange new Power that began its relations with China, not with fresh demands and extortions, but with renouncing simply and without conditions all the concessions and extortions of the Tsar. That in itself would be sufficient to give the Chinese an impetus hardly needed to look to Soviet Russia as their natural Ally. But Russia, whose former coastal frontier extended for thousands of miles along the Pacific, has been left out of the Washington Conference. The Washington Conference might even be regarded as the formation of a bloc against Russia. What is the inference? The inevitable inference is that the vast peoples of Russia and China (constituting close on one-third of the world's population) form at

once the natural basis of a movement of the common peoples of the world against the schemes of parcelling out by the diplomatists and the financiers. The Washington Conference has tried to settle the fate of the world in general, and of the Far East in particular, without Russia. That is the final comment on the destiny of its decisions.

TWO other international conferences have been meeting at the same time as the Washington Conference, and one of them took its original shape in Washington. This was the International Labour Conference under the League of Nations, which held its third meeting at Geneva during the end of October and November. But the atmosphere of the Geneva Conference was noticeably different from the first Conference of the same body, which was held at Washington in 1919. The fine promises of 1919 had vanished with the revolutionary situation that gave them birth; the conventions that were then so generously passed had since been openly flouted; and even the sacred Treaty of Versailles had in this respect been disregarded with impunity. At the Geneva Conference the attitude of the employers was unconcealedly obstructive: it took long debates for a convention to be passed on the subject of restricting the use of white lead in painting interiors, and even then its operation was postponed to six years hence: while the subject of agricultural hours, for which the Conference had been mainly called, was postponed to another time. It is the old story of the Industrial Conference in this country. In time of danger the capitalists will make any promises to trick the workers from using their advantage. When the danger is over the instrument is contemptuously thrown aside, and the pledges are left unhonoured. Is there any Trade Unionist left who has not learnt the lesson? The other Conference which met at the same time as Washington was the Conference at Amsterdam of representatives of the International Federations of Miners, Transport Workers and Metal Workers. This Conference met to pass resolutions in favour of international strike action against war. If there were any reasons to believe these resolutions were seriously meant, there would be some hope for the future.



The Sharks (the Great Powers) and the Fish (China)

—Avanti

REALITIES OF WASHINGTON

By W. N. EWER

A MONTH ago sentimental Liberalism was in full song. The Washington Conference was destined to bring that long overdue millennium without tears. Mr. Hughes was to redeem President Wilson's failure as Messiah.

"America," cried the *Daily News*, in an ecstasy of enthusiasm, "has shown a despairing world the way of salvation."

"This," said Mr. Lloyd George, "is the greatest event for nineteen centuries."

An American Liberal outdid him:—"It is the greatest event for nineteen hundred and twenty-one years"; thus abruptly dismissing the Crucifixion to the second grade.

That was a month since. To-day even sentimental Liberals (of whom, by the way, there are not a few in the ranks of Labour and Socialism) are feeling a little chilly about Washington. The vision has faded very rapidly. Mr. Hughes, it seems, is no Messiah: not even a magician: just an able but unimaginative New York lawyer, not fitted either by training or temperament to cope with the clever exponents of that old European diplomatic game which no American has yet learned to play.

The glamour has gone. That is good. It enables us to talk of the realities without chiding from some touchy romantic who resents every fact that disturbs his pleasant dreams.

THE ORIGINS OF THE CONFERENCE

Mr. Hughes is no Messiah. Let us do him justice at once. He never thought he was. He does not suffer from the "Gottmensch" delusion that afflicted poor Mr. Wilson.

He called that conference, not as a Saviour of Society or a purveyor of millenniums, but as a hard-headed American statesman.

The Washington Conference was the logical, foreseeable development of American policy after the Wilson fiasco and the Republican triumph at the polls.

By that gesture the United States drew out of world politics. The Washington tradition, the world-unconsciousness of the Middle West, the election tactics of the Republican Party, dictated the withdrawal.

But economic facts forbade it. And neither sentiment, nor tradition, nor political opportunism, can resist economic pressure. America was bound to re-enter world-politics, because America was *in* world-economics. Economic entanglement made political isolation impossible.

On the morrow of President Harding's election he sent Senator Medill M'Cormick on an inspection tour of Europe. I wrote then that this was the first sign: that within a year the Harding administration would be in conference with the European Powers, possibly discussing revision of the Treaty of Versailles, certainly discussing international politics in relation to America's international economic associations.

That was not a particularly clever prophecy. The thing was inevitable.

Two outstanding facts were bound to dominate and determine American policy:—

(i) The gigantic debt of the chief European countries to the United States.

(ii) The insistent need of American capitalism for foreign markets.

DEBTS AND DISARMAMENT

America before the war was a debtor country. She emerged from the war the creditor of the world. Europe is in her debt to an extent scarcely realised. Government

liabilities alone total a fantastic sum of over $11,000,000,000.*

And in addition there is a huge private debt. Before the war millions of American securities were held in Europe, and particularly in England. To-day British and European securities are held in America.

Yet American exports still exceed American imports by $5,000,000,000 a year. America is not receiving full payment for her goods. She is still giving credit.

Therefore, the financial stability of Europe is a matter of intense and direct concern to the United States. The solvency of a debtor is of prime importance to his creditor.

Here, then, was one urgent problem which American statesmanship was bound to tackle. Europe must, if possible, be preserved from bankruptcy—for European bankruptcy would mean a gigantic loss to American capitalists. Europe must not merely be saved from bankruptcy. European governments must be enabled to balance their budgets—must be able to pay regularly, at least, the interest on these colossal loans.

Else that dangerous talk of a mutual cancellation of debts—very attractive to harassed Ministers of Finance—might grow; might reach the point where for "cancellation by consent," "repudiation" might be substituted. Suppose Europe were to repudiate—were to announce, regretfully, inability to pay. No coercion, military or economic, would suffice for debt collecting. The imposition of "sanctions" on the German model would be a costly and futile folly. American capital would have to cut its losses and make the best of a bad job.

If the European Governments (I include Britain, of course, in the category of "European" States) are to remain solvent, European Governments must economise.

Economy—limitation of armaments—the line of thought

* Leaving Russia out of account, the chief items of this enormous liability are :—Great Britain, $4,166,318,358 ; France, $3,350,762,938 ; Italy, $1,648,034,050 ; Belgium, $375,280,147 ; Poland, $135,661,660.

is obvious. America could do nothing to secure economies on domestic expenditure. But she could do something—or try to do something—to secure a reduction of expenditure on armaments.

> *Europe must cut down its military and naval estimates in order that Europe may be able to pay its debts to America.*

That is the quite simple genesis of the "armaments" side of the Conference. No idealism, no pacifism, no millennium-mongery. Just a hard common-sense business proposition.

THE LURE OF CHINA

Let us turn from the question of debts to the question of fields for exploitation—the second influence that made impossible the continuance of the isolation policy so dear to the heart of Senator Borah and his colleagues.

America is no longer self-sufficing. Her Capitalism has reached the phase at which it must expand beyond its own political borders.

Said William C. Redfield to the American Manufacturers' Export Association in April of last year*:

> "We cannot be foreign merchants very much longer in this country excepting on a diminishing and diminishing scale—we have got to become foreign constructors; we have got to build with American money—foreign enterprises, railroads, utilities, factories, mills, I know not what, in order that by large ownership in them we may command the trade that normally flows from their operation."

The inevitable processes of American Imperialism—the conquest of a Continent followed by expansion into the world, has been sketched brilliantly by Scott-Nearing: † "The logical goal of the American plutocracy in the economic, and, incidentally, the political, control of the world."‡

* Scott-Nearing: *The American Empire*, p. 219.

† In outline in last month's LABOUR MONTHLY; in detail in *The American Empire.*

‡ *The American Empire*, p. 222.

North and South America are already conquered. The Union Jack flies at Ottawa. But $555,943,000 of Canadian securities are held in the United States; only $153,758,000 in Great Britain.* The Monroe Doctrine is no longer a "doctrine." It is the expression of an economic fact.

But the Continent is insufficient. American Capitalism is looking—is bound to look—across the oceans for new territory to exploit.

There is not too much available. Most of the non-European world has been already carved up by the capitalist States which entered the competition a couple of generations ago—while American finance was still busy with the development of its own West. Africa is partitioned almost to the last rood.

Southern Asia is nearly in the same condition. When America—in the reaction against Wilsonism—refused the mandate for Armenia, she gave up her chance of any big share in the exploitation of the former Ottoman dominions. Britain and France have now pegged out all the claims from the Levant to the Gulf of Cambodia. Only the influence of Russia has prevented annexation of Persia and Afghanistan. Siam is doomed.

There remains only one great field, the richest, that (unless the Soviet Republic were overthrown and Russia turned into a Tom Tiddler's ground) invites world Capitalism to-day. China, in spite of quarter of a century of concession-hunting, is still virtually untouched. It seems to predatory American Capitalism its destined sphere of plunder.

Here, then, is the second great economic need of America —the securing of opportunity for the exploitation of China.

And even here Wall Street has come late into the field. America took little or no part in the "war of concessions," which began about 1895. England and France, Russia, Germany and Japan, scrambled for railway concessions and mining concessions and trading concessions and territorial

* *The American Empire*, p. 207.

concessions. America held aloof; made one or two futile protests against the establishment of privileges and monopolies; came into a financial consortium and withdrew again; began to fall behind in the race—mainly because her dominant interest for the moment was trade and not investment, commerce and not exploitation.

At the close of the war American financiers realised what had been happening. Not only had the other capitalist countries established themselves here and there in China during the two pre-war decades, but during the war itself Japan had begun to assert a domination over all China: had begun to claim a position of priority and "special interests" as against all other countries. Manchuria and Eastern Inner Mongolia were well on the way to becoming Japanese protectorates. The "Twenty-one Demands" of 1915, if China had conceded them, would have made her definitely a Japanese dependency. Even those that were conceded gave Japanese Capitalism extraordinary advantages over its competitors. And apart from concessions and treaty privileges Japan was exercising an overweening control over the Peking Government and the Generals who are its real masters.

That exceptionally incapable diplomatist, Mr. Lansing, had been tricked by the astute Viscount Ishii into a formal admission that Japan had "special interests" in China on account of her geographical position. And his equally incapable chief—thinking of nothing but of saving his precious League of Nations—signed the Versailles Treaty, which gave Japan virtual sovereignty over Shantung.

American Capitalism was stung to action by that last final folly. The "Shantung clauses" did far more to bring about the Wilson débâcle than is generally realised here. The refusal to ratify a treaty containing those clauses was the first declaration to the world that America meant to fight for her position in the Far East.

American Capitalism is going to exploit China, and

the first step to that must be the ousting of Japan from the privileged position she has attained.

Again, therefore, America must emerge from her brief isolation. She must take steps to secure the annulment of those " Shantung clauses "—which are in operation, though neither ratified by the United States nor as much as signed by China. She must secure the revocation of the treaty of 1915. She must prevent Japan from using her influence at Peking to extort similar concessions in future. She must break down that influence itself.

Also, since this economic and diplomatic struggle may at any time lead to actual war, she must make quite sure that war with Japan would not involve war with Great Britain. The Anglo-Japanese alliance must be broken. Japan must be isolated in order that she may be coerced.

There is the equally simple genesis of the second part of the Washington programme. Again, no idealism (though much chatter about Chinese sovereign rights and about the " open door "). No idealism, but just hard economic facts.

The European debt dictated a Disarmament Conference. The ambitions of American Capitalism dictated a Far Eastern Conference. The two blended easily and naturally.

And there was the Washington programme ready-made for the fooling of sentimental Liberalism.

MR. HUGHES' PLAN

Mr. Hughes' plan of campaign was simple and obvious.

First, the discussion of the limitation of naval armaments.

Then the isolation of Japan by the dissolution of the Anglo-Japanese alliance.

Then—her naval superiority in the Pacific definitely safeguarded—America could dictate the terms of a Chinese settlement.

The question of the limitation of military armaments could be taken later.

Simple—all too simple. That last decision (with certain others closely related to it) was the fatal blunder that has upset Mr. Hughes' calculations entirely.

Those associated blunders were:—

(i) The undervaluing of the importance of France.

(ii) The ignoring of Germany and Russia.

Quite rightly, Mr. Hughes calculated that he could rely on the support of Great Britain.

For Great Britain is now in somewhat the same position in face of America as was Germany ten years ago in face of Great Britain. She has the choice of being, as Prince von Bülow phrased it, "her satellite or her antagonist."*

Germany chose the rôle of antagonist. She refused to be "towed in the wake of English policy."† But England to-day dare not make that choice. She is too economically dependent on America. She cannot fight her. She dare scarcely offend her. Economic dependence implies political dependence. Willy nilly, we must be "towed in the wake of American policy."

Very definitely this is true of these two questions of naval armaments and of Far Eastern policy.

Germany entered upon a competition in shipbuilding with England. It was not altogether an unequal contest. But Britain to-day dare not enter on such a competition with America. Her resources will not allow it. Offered a position of equality, she must gratefully accept it, foregoing her old claim to a paramount navy; its relinquishment being the only alternative to an exhausting conflict, resulting in definite inferiority.

So in the Far East. A British Minister might dream of leaguing with Japan against the menacing power of the United States. But to do this would be to destroy the

* Prince von Bülow: *Imperial Germany*, p. 28.

† Ibid., p. 31.

British Empire. Race feeling is too strong. Neither Canada nor Australia would stand for such a policy. Both would secede rather than fight with Japan against the States.

Therefore, Mr. Hughes counted, and counted rightly, on British support.

THE NAVAL SCHEME

He launched, with a fine dramatic sense, his plan for the limitation of capital ships, at the first sitting of the Conference. The British delegation supported him enthusiastically. The world rang with applause. And sentimental Liberalism felt happy. The millennium was at hand.

But in that dramatic declaration, Mr. Hughes committed one incredible folly. *He ignored France. He contemptuously—or with an off-handedness that gave the impression of contempt—relegated her with Italy to the category of second-rate naval Powers.*

It was a crass blunder, which no European statesman would have made.

France has a long tradition as the first naval Power on the Continent; the old maritime rival of England. Even when her battle fleet has been evidently weaker, she has never been content to accept a status of definite inferiority. She has sought other means of redressing the balance. In the nineties the *guerre de course* was the favoured French strategy. Jean Bart and Duguay-Trouin were the admired models. The Great War has revived French naval hopes. The battleship is no longer what it was. The *guerre de course* —waged not by light cruisers, but by submarines and aeroplanes—is again being talked of; not lightly by journalists, but very seriously by admirals. It may still be possible to challenge England on the seas.

And the Entente is visibly in ruins.

Yet, with an almost incredible stupidity, Mr. Hughes left France out of the reckoning of the Big Sea Powers.

The folly brought a swift retort. The French Press began to demand that in any battleship agreement France

should at least be accorded the same strength as Japan. The French delegation, in better touch with French naval opinion and the French admirals' plans, did not worry about battleships.

But at the very moment when Britain, for obvious reasons, was beginning to suggest very stringent limitations on the size and number of submarines, M. Briand dramatically announced that France would object to any limitation of her rights of building and using submarines—and then went home.

That declaration has blown sky-high all chance of a real limitation of naval armaments.

Limitation of battleships there may be: though even here the French attitude may bring a breakdown. Will Great Britain accept a ratio of ten against a possible French seven and Italian five? I doubt it. You will soon hear the old murmurs of "two keels to one."

But battleships are of subsidiary importance. Mr. Hughes concentrated on them overmuch. It is the light cruisers, the destroyers, the submarines, the aircraft and their auxiliaries that we count most in the future.

France has declared definitely against limitation of these. Britain must follow suit. "We are not building against Britain," says M. Briand, "we are building against X." That is in the authentic vein of Ministers explaining the old pre-war armament competitions. But its result must be that Britain, too, must build "against X."

The naval millennium is off.

LAND ARMAMENTS

M. Briand had another and even deadlier riposte. Mr. Hughes had chosen to disregard France as a naval Power. He could not disregard her as a military Power. But he did want to postpone all military matters until a later stage of the Conference. M. Briand refused to allow this.

He forced the question of land armaments to the front at once. And he did so by another dramatic declaration.

France would under no circumstances consent to a reduction of her present military strength—the minimum compatible with her safety.

With perfect timing the French Press—and, of course, the faithful *Times*—told of Germany's preparations for building up her army anew.

"We will not reduce our army," said M. Briand. "We dare not, because of the German menace: because also of the Russian menace."

An incredibly insolent stroke this last. With cool effrontery the French Premier told the Conference that eighteen months ago Russia "hurled herself against Europe." Nor did anyone give him the lie or recall the real beginnings of the Russo-Polish war.

German menace. Russian menace. Poor Mr. Hughes found himself caught again in the toils of those tiresome European politics.

He had not invited either Germany or Russia to Washington. Russia, indeed, his Government—thanks to insistent pressure from Mr. Hoover—still obstinately refused to recognise even as a *fact*.

Yet here it was undeniably a fact, and not only a fact but an essential *factor*. Germany, too, was a factor. Poor Mr. Hughes had hoped to get along by ignoring them. Here they were refusing to be ignored.

For the real significance of M. Briand's declaration was that it was idle to talk about military disarmament in Europe unless Germany and Russia were consulted.

There were three courses open. One was to retort to the French Premier by cabling immediate invitations to Moscow and Berlin. That bold stroke might have saved the situation. But it was probably impossible. Anti-German and anti-Russian prejudices are still too strong inside the the American Cabinet itself. To invite a Russian delegation would be to recognise the Soviet Government. Mr. Hoover is inflexibly against

that. And Mr. Hoover stands for very powerful forces.

The second alternative was to fall in with M. Briand's hint that France might reduce her armies on condition of the renewal of Mr. Wilson's ill-fated project of a Triple Alliance between Britain, America, and France. But no American administration—certainly not that of President Harding—dare entertain such an idea.

The third course was to throw up the sponge and abandon, at any rate for the present, all idea of securing a limitation of European land armaments.

That course Mr. Hughes seems to have taken. The speech in which he accepted M. Briand's position as a reasonable one is an admission of the total failure of his plans.

AMERICA v. JAPAN

There still remains the Chinese question. Here it is just possible that Mr. Hughes may have more success.

The Anglo-Japanese alliance is dead, even though not formally abrogated. Japan is isolated: and as a result she is already showing signs of readiness to yield something. *But if she yields it will only be a tactical withdrawal—a retreat, not a capitulation.*

Her strategy in the next few weeks will, I think, be based on two calculations.

Firstly, she will rely on American preoccupation with Shantung. She will give way there, in the hope of saving, by that temporary sacrifice, her privileged position in the rest of China. *She will play the Shantung gambit.*

Secondly, she will try to alienate China itself from America. The United States has been posing as China's protector against Japanese political penetration. Japan will pose as China's protector against American economic penetration. *She will try for a Yellow Alliance.*

China is asking for the freeing of her Customs from

foreign control. She is objecting to the demands of the Four Powers' Financial Consortium for effective control of her railways. She is taking at their face value American statements of principle about her "political and administrative independence," and is asking that those principles be put into practice in a manner that does not enter into Wall Street's calculations.

> What if she gets Japanese backing in this attitude? American finance aims at an international control of the "development" of China—quite confident that it would have the dominant voice in any such international scheme. *What if Japan pits against this international control (which would be really American) Chinese control (which would be really Japanese)?*

Either Mr. Hughes will again collapse, and his Conference will break up, content with having given utterance to a few pious generalities about the building of battleships and the relationship of China to foreign Powers; or else we are going to see played at Washington in the next month one of the prettiest and most complicated games of diplomatic intrigue that the world of politics has seen for some years.

If that game *is* played, my money will *not* be on Mr. Hughes. He has revealed himself already as a clumsy fellow. His adversaries are as adroit and experienced as he is raw and clumsy. Also they have the big advantage that the game will not be limited to Washington. It will be played also at Peking. And at Peking the Japanese have a thousand advantages.

In intrigue the Japanese will win. But Mr. Hughes, though he may be an unskilful diplomatist, has behind him the resources and the power of the United States—incomparably the strongest nation in the world to-day.

> *The Japanese may outwit him. But he may turn the battle from one of Quick Wits into one of Big Sticks. The Roosevelt tradition is not dead.*

In which case the Washington Conference may be the prelude to the Pacific war.

Poor sentimental Liberalism!

Poor Mr. Hughes!

Poor President Harding!

They will have to try again, or American Capitalism will find itself in difficulties.

SIBERIA

Let me add a postcript.

I have not mentioned Siberia.

Nothing that the Conference may do—or leave undone—with regard to Siberia or to any territory of the Russian or of the Far-Eastern Republic, is of the slightest consequence.

THE NEW ECONOMIC POLICY AND THE TASKS OF POLITICAL ENLIGHTENMENT

By N. LENIN

(Being a Speech delivered to the Congress of Local Organisations for Political Enlightenment, in October, 1921.)

I WILL deal with the new economic policy in broad and general terms. Everyone cannot but be aware how radical has been the change made by our Soviet power and Communist Party in passing over to that economic policy which has been called new—i.e., new in its relation to the preceding economic policy, but in the nature of things containing more of the old than our former economic policy. For with the latter, if one cannot say we calculated (for, in those circumstances, we in general calculated very little), at least to a certain extent we proposed an immediate transition from the old Russian form of economy to State production and exchange on a Communist basis. But if one recalls our previous economic literature and what our Communists were writing before the taking of power in our hands or in the short period after taking power (e.g., in the beginning of 1918, when our first political attack on the old Russia had ended in huge success, when the Soviet Republic was founded, when Russia had just emerged from the imperialist war, although in a mutilated condition, still with less mutilation than if she had proposed—in accordance with the advice of the imperialists, Mensheviks and Socialist Revolutionaries—to defend the Fatherland), it will be seen that in this first period, when we had not finished the first task of building up the Soviet power and had only just emerged from the imperialist war, we talked of our tasks of economic recon-

struction much more guardedly and circumspectly than during the second half of 1918 and during the whole of 1919 and 1920. One may refer, for instance, to such decisions as the decree of the All-Russian Central Executive Committee of April 29, 1918, which pointed out the necessity of reckoning with village economy, dealt with the *rôle* of State capitalism in the construction of Socialism, and underlined the significance of individual, one-man responsibility in the matter of the administration of the country as distinct from the tasks of the structure of political and military power.

Our Mistake

In 1918, after the conclusion of the Brest peace, the danger, we thought, was removed, and we calculated on a definite period when peaceful constructive work would be possible. But we were deceived. In 1918 the real war danger began, with, first, the Czecho-Slovak rising, and then the beginning of the civil war which continued right into 1920. Partly under the influence of the military tasks with which we were suddenly overwhelmed, and partly owing to the desperate position, as it seemed, of the Republic, we made the mistake of trying to bring about an immediate transition to Communist production and distribution. We decided that the peasantry should by requisition (in exchange for goods) provide us with the necessary quantity of food which we would distribute to the factories and workshops, thus arriving at Communist production and distribution. I cannot say that we had envisaged the above plan so definitely and obviously, but we acted approximately in that spirit. That, unfortunately, is a fact. I say unfortunately, because a not very long experience served to convince us that this structure was a mistake and in contradiction to what we had formerly written as to the transition from Capitalism to Socialism, and that if we did not pass through the period of Socialist accounting and control it would be impossible to pass even to the lowest stage of Communism.

In the theoretical literature of the early part of 1918, when the tasks which lay before the Bolshevik Party were just being realised by the whole people, it was definitely asserted that a long and complex transition was inevitable from Capitalist society through Socialist accounting and control to even the first grade of Communist society. This is the essence of what was forgotten by us when we were compelled, at the height of the civil war, to take unavoidable steps in the matter of reconstruction. Our new economic policy consists essentially in this, that having suffered a heavy defeat in this policy, we have begun a strategic retreat; while we are still not finally beaten we will retreat and construct everything anew, only on a more lasting basis. There is no manner of doubt that we have suffered a defeat on the economic front, and as Communists we cannot permit a heavy defeat, so in full consciousness we turn to deal with the question of a new economic policy.

We Must Act as in War

It is, of course, inevitable that some of our comrades will fall into a very bitter frame of mind, amounting almost to panic; on the occasion of a retreat there are always some who give themselves over to panic. When the Red Army was forced to retreat it had to conquer first of all the tendency to run before the enemy, and every time and on every front this panic period was to be observed among certain people. But every time, whether on the Koltchak, Denikin, Yudenitch, Wrangel or Polish front, it turned out that after we had been once, or sometimes more than once, properly beaten, we learned the truth of the proverb that "one tried man is worth two untried." After being once defeated we began to advance slowly, systematically and cautiously.

Of course, tasks on the economic front are many times more difficult than those on the military front, but a general relation of elementary strategical principles may be made out. On the economic front, from the attempt to establish Communism up to the spring of 1921, we suffered a more serious

defeat than any inflicted on us by Koltchak, Denikin, or Pilsudsky, a defeat indicating that the superstructure of our economic policy was not built on a firm foundation and did not give rise to that volume of creative force which was laid down in our party programme as a fundamental and urgent necessity. The requisitions in the villages, and the attempt at immediate Communist construction in the towns, hindered the development of productive forces and proved the fundamental cause of the deep economic and political crisis which overtook us in the spring of 1921. This, then, has been the cause of what, from the point of view of our general policy, can only be described as a severe defeat, and the cause of our retreat, which, like some of the retreats of the Red Army, can hardly be described as a retreat in good order and to previously prepared positions. The positions were, in truth, prepared beforehand, as can be shown by a comparison of the decisions made in the spring of this year with those of April, 1918, already referred to; but the retreat to these positions which has taken place, and in some places in the provinces is still taking place, has been accompanied by a considerable and even an excessive degree of disorder.

It is a task for the organisations for political enlightenment to struggle against this disorder. The fundamental question from the point of view of the new economic policy is the question who will be able to make the first use of the new position?

Who Will Get the Upper Hand?

The new economic policy with its agricultural tax in place of requisitions denotes the re-establishment of Capitalism in a significant degree. To what degree—we do not yet know. Concessions to foreign capitalists (though it is true that so far very few have been concluded, especially in comparison with the proposals which we have made) and leases to private capitalists represent a direct re-introduction of Capitalism and are radically connected with the new economic policy.

For the abolition of requisitions means for the peasant free trade in the village surplus not taken by the tax; and the tax takes only a small fraction of the produce. The peasantry constitutes an enormous part of our whole population, and consequently on the soil of this free trade Capitalism cannot but grow.

This is a fundamental economic truth, an elementary lesson of economic science, and indeed taught us by every landowner independently of the theories of economic or political science. And from the point of strategy the root question remains—Who will be the first to get the benefit of the new position? The whole question is—Whom will the peasantry follow, the proletariat striving to construct a Socialist society, or the capitalist who says, "Let us go back, for that is less dangerous; these Communists have still some sort of Socialism in mind"?

Our present struggle will have for its result either a victory for the capitalist, to whom we are opening the door, and even several doors, or a victory for the proletarian State power. On what economic support can this latter depend? On the one hand, on an improvement in the position of the population. In this connection one must remember the peasants. It is absolutely incontestable that, in spite of such a huge misfortune as the famine, an improvement in the position of the population (not counting the actual famine) has followed precisely as a result of the change in economic policy.

On the other hand, if Capitalism benefits, industrial production will grow, but together with it the proletariat will also grow. The capitalists will profit as a result of our policy and will create an industrial proletariat such as amongst us, thanks to the war and the desperate destruction and ruin, has been declassed, i.e., struck from its class line of development, and has ceased to exist as a proletariat. By proletariat is denoted a class occupied with the production of material values in the enterprises of large-scale capitalist industry. In so far as large-scale capitalist industry has been destroyed, in so far as factories and workshops are at a standstill, the

proletariat has vanished. It has on occasion been formally numbered, but it was not connected with its economic roots. If Capitalism is revived, the class of the proletariat will also be revived, a class occupying itself with the production of material values useful to society, occupied in large machine industry and not engaged in speculation, in making lighters for sale and such like "work," not especially useful, but quite unavoidable in the circumstances of the breakdown of our industry.

The whole question is as to who will forestall whom. Should the capitalists succeed in organising themselves first —they will drive out the Communists without more ado. It is necessary to look at these things dispassionately. Will the proletarian State prove itself capable, relying on the peasants, to hold Messieurs the capitalists in proper check, in order to direct Capitalism along the State path and to create a Capitalism subordinate to the State and serving it?

The Enemy in Our Midst

It is necessary to consider this question seriously, leaving aside all ideologies, all prejudices about political freedom. Of such prejudices it is possible to find many examples, especially if we look at Russia abroad, the Russia No. 2, where they possess tens of daily papers of all political parties, where these freedoms are sung of in all tunes and with all the musical notes known to nature. All this is mere chatter, empty phrases. It is necessary to be able to reject these phrases. During the last four years we have been through many serious battles, and we have learned that serious battle is quite a different thing from the chatter that arises on such an occasion, arising especially on the part of those who stay at home. It is necessary to look at the heart of the matter. And the heart of the matter is just this—that there is a struggle and that it will be even more desperate and bitter than the struggle with Koltchak or Denikin. For this reason, that military struggle is a customary thing. For

hundreds of thousands of years men have always fought. As far as the art of killing people in war is concerned, enormous successes have been achieved.

In spite of the S.R.s and Mensheviks, siding with the landowners, who have raised an outcry about popular rights, about the Constituent Assembly, and the way in which the Bolsheviks have destroyed all freedom, yet all the same it has been easier to carry through our military tasks than the one which now confronts us. It is possible to carry through a military task by onslaught, by sudden attack, by enthusiasm, above all by the physical force of that large number of workers and peasants who have seen the landowners advancing against them. Now it is not a case of unconcealed landowners. As for the Wrangels, Koltchaks and Denikins, part have gone to join Nicholas Romanoff, part have hidden themselves in the safety of regions abroad. The present obvious enemy the people do not see as they saw the landowner and capitalist before. This enemy is already in our midst; the revolution stands before a kind of precipice against which all former revolutions have come to grief and gone to destruction. This is a picture the people are not able to understand because they suffer from a great darkness and ignorance. And it is difficult to say how much time will be needed for all the extraordinary committees, acting in an extraordinary way, to liquidate this ignorance.

The task of our Party is to develop the knowledge that the enemy in our midst is anarchic Capitalism and anarchic trading. It is necessary clearly to realise this essence of the struggle and to secure that the widest masses of the workers and peasants realise it also. It is still a question who will get the upper hand. The dictatorship of the proletariat is a most merciless and embittered struggle in which the proletariat has to contend against the whole world, since the whole world has gone against us in supporting Koltchak and Denikin.

At the present time the bourgeoisie of the whole world supports the bourgeoisie of Russia, and is many times

stronger than we are. Yet this does not throw us into panic. Their armed forces were incomparably greater than ours, yet they failed to crush us in war, although with their forces it should have been very easy to do so. It would, perhaps, have been sufficient if they had mobilised in time a few army corps from one or other of the capitalist Powers who went against us, and had not hesitated at lending a few millions in gold to Koltchak. However, they failed because the knowledge of their guilt and of our righteousness penetrated even to the masses of the English soldiers who arrived in Archangel, and to the masses of the sailors who forced the French fleet to leave Odessa.

Now again we are encountering forces which, as usual, are much more powerful than we are. In order to conquer we must rely upon our ultimate source of strength, i.e., the masses of workers and peasants, their consciousness, and their power of organisation. If only the organised proletarian power, and the leading workers and peasants, take up this task and are able to organise a popular movement around them, then we will emerge victorious. But if we are not able to do this, then the enemy, possessing greater forces in the way of technical equipment, will inevitably defeat us.

The dictatorship of the proletariat is an embittered warfare. The proletariat has conquered in one country, but remains much weaker on an international scale. It must unite all workers and peasants around it in the knowledge that the war is not yet finished. Though we may have sung "to the last fight let us rally," that is not quite accurate. Unfortunately it is not the last and decisive fight. Either we succeed in rallying the workers and peasants to this struggle or we will not win through.

Although, more than once, beginning with the early period of slave rule, there have been wars of peasants against landowners, never until now has history seen such a struggle as that in which we are engaged. Never until now has there been a war of the State power against the bourgeoisie of its own country and against the united bourgeoisie of all

countries. The issue of the struggle depends upon whether we are able to organise the petty peasantry upon the basis of the development of their productive strength, supporting this development by our proletarian power, or whether the capitalists can subordinate this development to themselves. With no former experience to guide us we must create it for ourselves, and in this we can only rely on the consciousness of the workers and peasants. That must be our watchword, as it is also the greatest difficulty of our task.

Personal Initiative and Responsibility

We cannot calculate upon an immediate transition to Communism. We must build upon the personal interest of the peasant. People will say to us: "The personal interest of the peasant—that means the re-establishment of private property." But that is not the case; personal property in objects of use and in implements has never been a hindrance to us in our relations to the peasants. We destroyed private property in land, but the peasant can carry on agriculture without private property in land, e.g., on land that has been leased. This system has obtained in many countries, but here it is not economically possible at all. Our difficulty has been to create the personal interest. It is necessary, also, to see that every specialist has an interest in the development of production.

We have not yet been able to do this. We thought that at our Communist bidding production and distribution would develop in a country with a declassed proletariat. We shall have to change this, for otherwise we shall not be able to acquaint the proletariat with the process of transition. When we tried to carry through this task directly, i.e., by a frontal attack, we suffered defeat. Such mistakes have occurred in every war and they are not considered as mistakes. Our frontal attack not having succeeded, we shall pass to the flank and act by siege and by undermining.

It is necessary to build every branch of national industry on personal interest. Deliberation should be social, but

responsibility personal. From our failure to realise this fundamental we are suffering at every step. The new economic policy demands that this division be carried out with absolute clearness and sharpness. When we passed to the new economic conditions there was an outburst of discussion among the people as to what would arise, and as to how the new order should be constructed. This is as it should be. We must not allow anything to be begun without going through a general discussion, because the people for hundreds of years have been forbidden to discuss anything, and the revolution cannot develop in any other way than through a period of holding general meetings on all questions.

This has largely created confusion. It was inevitable, but it is not dangerous. Only by learning in time to distinguish what is necessary for discussion at meetings and what is necessary for administration, shall we be able to reach the height of our position as a Soviet Republic. Unfortunately, we have not yet learned this, and the majority of our congresses are far from proceeding in an active fashion. In the abundance of our congresses we exceed all other States in the world. Not one of the democratic Republics holds so many as we do, nor would it be feasible for them to attain to this. But we must remember that our country is a country greatly despoiled and impoverished, and it is necessary to teach how to discuss at meetings without confusing the requirements of discussion and administration. Hold meetings, but administer without the least hesitation, administer more firmly and severely than ever the capitalist did before. Otherwise you will not be able to conquer him.

In the Red Army, after many months of discussion at meetings, discipline reached a degree which was never attained in the old army. Severe, harsh measures were applied, extending to death by shooting, such as had never occurred under the former Government. The bourgeoisie have cried out that the Bolsheviks have re-introduced the death penalty. We must reply that we have, and with full consciousness.

The Alternatives

Either we must destroy those who have wished to bring us to ruin or our Soviet Republic will perish. In our impoverished country the alternative rests between those who will not co-operate with us, or the whole workers' and peasants' Republic. For us there is and can be no choice, just as also there is no room for any kind of sentimentality. Sentimentality is no less a crime than cowardice in war. He who shrinks now from the rule of discipline lets enemies into our midst.

The new economic policy has thus a significance also from the point of view of instruction. This congress is discussing what it is necessary to teach. We shall have to arrive at the point of saying that we have no room for the dilettante. When we have Communism, then teaching will be milder; at present it cannot but be hard under pain of destruction. There has been desertion from the army, and also from the Labour front; working for the capitalist, for the exploiter, has naturally meant working badly. But now the question has to be solved whether we are able to work for ourselves, for the workers' and peasants' power, or otherwise the Republic will perish. This is one of the reasons for the introduction of our new economic policy.

Let us industrialise everything. Capitalists will be amongst us, foreign capitalists, concessionaires, and lease holders: they will wrest from us hundreds per cent. of profit, they will flourish around us. Let them flourish; we will learn from them how to carry on industry, and then we shall be able to construct our Communist Republic. From the point of view of learning quickly any kind of slacking is the greatest crime. It is necessary to adopt this apprenticeship, an apprenticeship burdensome, severe, sometimes even cruel, for there is no other way forward.

We must remember that our Soviet country, impoverished by many years of trial, is surrounded by non-Socialist France and non-Socialist England, whose advanced technique and industry could help us but that it is at present in the hands of capitalists who are acting against us.

In our uncultured state we cannot by a frontal attack achieve the destruction of Capitalism. At a different level of culture it would have been possible to accomplish the task more directly, and perhaps other countries will be able to do so when the time comes for the construction of their Communist Republics. But we cannot solve the problem by the direct method.

The State must learn to carry on trade so that industry can satisfy the peasants, so that the peasants by trade can satisfy their needs. It is necessary to put the matter so that every worker will devote his powers to strengthening the workers-peasants' State. Only then can a large-scale industry be created.

Experience Must be Mastered

It is necessary that knowledge should penetrate to the masses, and not only penetrate, but be practically realised amongst them. From this follow the tasks of the Political Enlightenment Sections. After each deep-seated political change the people need much time to master the change for themselves. It is deeply to be regretted that it is possible to say that the people have not yet learned the lessons which have been afforded them. For if they had we should come much more quickly and directly to the creation of a large-scale industry. After accomplishing the greatest political change in the world, new tasks have come before us—cultural tasks, which it is possible to call "minor matters." It is necessary to digest this political change, to make it accessible to the masses of the people, and to ensure that it does not remain a mere declaration.

All these declarations, notices, manifestoes, and decrees were necessary in their time. In their time all these things were indispensable in order to show people in what way and to what new goal we were advancing. But it is impossible now merely to go on showing the people what we wish to construct. The simplest worker in that case will scoff at us. He will say: "You are always showing us what you wish to con-

struct; show us actually that you know how to construct. If you don't know how, then it is no good to us—go to the devil! " And he will be right. The time has gone by when it was necessary to outline politically the big tasks before us; the time has come when it is necessary to realise them in practice. We are faced with either the destruction of all the political victories of the Soviet power, or their establishment on a firm economic foundation.

Make Use of Our Good Laws

In connection with our new economic policy it is necessary unceasingly to press the idea that political enlightenment demands at all costs a higher development of culture. We must secure that knowledge, how to read and write, shall serve for the heightening of culture, so that the peasant has the possibility of applying the learning of reading and writing to the improvement of industry and his State.

The Soviet laws are very good, for they afford the possibility of fighting bureaucracy and dilatoriness, a possibility which is not afforded by any capitalist state to the workers and peasants. But this possibility is hardly being made use of at all. And not only the peasants, but a huge percentage of the Communists do not know how to make use of the Soviet laws in the struggle against delay, bureaucracy or that truly Russian phenomenon—bribery. The reason for our failure in this struggle is because it is impossible to achieve success by propaganda alone, but only if the mass of the people themselves help. Not only do half our Communists not know how to carry on the struggle, but there are some who actually hinder the struggle. The latter are now being dealt with by the committee for the revision of the party, and there is a hope that 100,000, some say 200,000, will be deprived of membership.

That we cleanse our party from these hangers-on will be useful, but it is only an insignificant fraction of what we have to do. We have to struggle with illiteracy, but literacy alone is insufficient. We need also that culture which knows

how to struggle with delay and bribery. These are diseases which cannot be cured by any kind of military victories or political transformations. They can be cured only by increase in culture. We are carrying on propaganda against barbarousness and such diseases as bribery, but the task of political enlightenment is not exhausted by this propaganda. We must demonstrate to the people the necessary measures, not as members of an executive committee, but as rank-and-file citizens, who being themselves politically more enlightened than others, know not only how to swear at dilatoriness—this art is widespread amongst us—but to show in what way actually this evil can be conquered. This is a very difficult art which cannot be achieved without a general raising of the level of culture on the part of the workers and peasant masses. And it is to this task of the Political Enlightenment sections that I should most of all like to direct attention.

Summing Up

In summing up I wish to set out in a practical form the main tasks now confronting the Political Enlightenment sections. As I look at it there are three chief enemies which threaten every person independent of the extent of his or her knowledge, and in consequence three chief tasks which as Communists we have to achieve. The three great enemies are as follows: Firstly, Communist conceit; secondly, illiteracy; and thirdly, bribe-taking.

By Communist conceit I mean that a person, being a member of the Communist Party and not yet expelled from it, imagines that all his duties can be fulfilled by issuing Communist decrees. While such a person remains a member of the ruling party and of some State organisation, he imagines that this gives him the right to talk about the results of political enlightenment. Nothing of the kind. It is merely Communist conceit. To learn to carry out political enlightenment is the thing that matters, and this is a goal which we have not yet reached.

With regard to the second enemy, illiteracy, while such a

phenomenon exists in the country it is very difficult to talk of political enlightenment at all. It is not a political task that we have to deal with, but a pre-condition without which it is impossible to talk of politics. The illiterate person stands outside politics, he must first be taught his A B C. Without this there are only rumours, gossip, tales, prejudices and the like, but there can be no politics.

And finally, while such a phenomenon as bribery is possible there can be no talk of politics. Here is not a question of a pre-condition. In the presence of bribery it is impossible to carry on politics, for all measures are suspended in mid-air and remain absolutely ineffectual. No good can come from any law if its application in practice is at the mercy of a system of tolerated and widespread bribery.

In order to be able to outline to the people our political tasks, and to convince them of what we have got to achieve, we must understand that what is required is a raising of the general cultural level of the masses. And we must achieve this definite level of culture or it will be impossible to accomplish our tasks.

Cultural tasks cannot be accomplished so quickly as political or military ones. We must realise that the latter are not now the barrier to our progress. Politically it is possible to conquer during a period of acute crisis in a few weeks. In war it is possible to conquer within a few months. But it is impossible to achieve a cultural victory within any such period. By the very nature of things a much longer period is necessary, and we must adapt ourselves to this longer period, calculating our work in advance, and exhibiting the greatest possible perseverance, steadfastness and orderliness. Without these qualities it is impossible even to approach to political enlightenment. And the results of political enlightenment can only be measured by the improvement of industry. It is not only necessary that we destroy illiteracy, and bribery which thrives on the soil of illiteracy, but we must see to it that our propaganda and our guidance are in fact accepted by the people and that as a result there should be shown an improvement in our national industry.

A GUILDSMAN'S REPLY

By MALCOLM SPARKES

(General Secretary of the Guild of Builders, London, Ltd.)

An appeal to free service may still be regarded as a leap in the dark, but I prefer to regard it as a "tremendously big" but splendid adventure. . . . Moreover, we must adventure boldly and at once. Time is against us and the old order is dissolving into anarchy and chaos much faster than we are at present building the new. . . . I believe that men will work for an ideal as they can no longer be made to work for fear. And if I am wrong, then who is in the right, and what hope is there for Society at all?

G. D. H. COLE, "Chaos and Order in Industry."

MR. MELLOR'S "Critique of Guild Socialism" might have been more truly entitled "A Critique of the National Guilds League," for no less than five of his eight interesting pages are devoted to an examination of the shortcomings of that organisation rather than the great principle for which it stands. He seems to have overlooked the superb quality of the goods in his preoccupation with the behaviour of their accredited representative.

I am not concerned with the internal debates of the National Guilds League. Every live organisation has its cross-currents of theory—they are the symptoms not of weakness but of exuberant vitality. My object is to try and present a living picture of the Guild idea as it stands to-day and to bring out its central motive—which, curiously enough, Mr. Mellor ignores entirely—the organisation of industry for service and not for gain. I am profoundly convinced that the real drive of the Guild idea—the power that draws men of every grade in industry so strongly to its side—is far more than a claim for status or for surplus value. That is only a part and a comparatively trifling part.

The real call of the Guild is based on the conviction that

here, at long last, is the beginning of an industrial system that is worthy of our best and gives full scope to those creative faculties that have been crushed for generations.

It has seldom been better stated than in the words I have quoted at the head of this article. Cole is one of the few men who have seen the real greatness of the Guild idea—have realised that, given a fair hearing, the proposal is inspiring and creative, and is big enough and fine enough to win upon its merits—that it needs no threats to help it through, and may even be retarded by such methods. Mr. Mellor declares that this attitude is "fundamentally pacifist and is therefore constantly up against the difficulties of that school." He suggests, further, that the Guild movement at one moment "is prepared to do anything to get rid of the things its intellect and emotions alike condemn; the next it halts because to get rid of them means the utilisation of force. . . . It still thinks in terms of peaceful change and advocates proposals that involve war."

This raises the whole issue that I am now examining. Mr. Mellor believes that force is the only way to secure the end in view. I believe that an attempt to force men to work under new ideas they neither understand nor approve would set back the clock for a generation. My main criticism of the advocates of change by force is that their method is far too slow. I am convinced that it is far more important to build up the foundation of a new system than to set about the destruction of the old. To argue that we must destroy before we build is quite misleading, because the present social and industrial system is not a rigid thing of bricks and mortar that must be disintegrated before it can be changed. It is much more like a whirlpool of conflicting currents that may be deflected and even reversed by a powerful stream of new ideas properly directed and assisted by experimental demonstrations. I may be wrong and they may be right, but I am prepared to race. For that is what the contest really is. Industry organised for service must show a clean pair of heels to industry organised for gain. The moment

that happens, the struggle will become a battle of ideas and not of classes, and it will become increasingly possible to secure for the best idea the services of the best men.

Before dismissing this conception as fantastic, let us examine a little more closely the real meaning of the phrase "Industry organised for service." It means clearly that industry must be organised to *give* service and not to *get* it. We have tried organisations controlled by shareholders to get dividends—by customers to get commodities, as in the Co-operative movement—by citizens to get Municipal or State services. But in every one of these forms of organisation the service is finally controlled, not by those who serve, but by those who are being served. Labour is merely a commodity, and the shareholders, the customers or the citizens have the power, not only to decide the conditions of employment, but also to terminate it at any time. Contrast this with the Guild conception of an industry as a self-governing democracy of organised public service—a great union of science and skill to do the work better than it has ever been done before. Add to this the knowledge that the Guild intends to guarantee its workers against every contingency, believing that the moment the fear of unemployment is removed, enthusiasm will replace it as the driving force of industry. Supplement it with the transformation of management into leadership, deriving its authority, no longer from shareholders, but from bodies elected by the whole personnel of the service, with all the possibilities of comradeship that that embodies. Add to these the provision that all surplus earnings must be devoted to the improvement of the service by way of increased equipment, reserves, technical training and research, and must never be distributed as dividends. Add finally the call of the greatest task in history—the transformation of industry from a sordid scramble for material gain into a great and splendid adventure—and you have got a glimpse of an industrial system beside which every other form seems dull and unimaginative.

It is, of course, true that many of the Guild assumptions

are unproved. They cannot be proved by argument or indeed by any method except that of a full-dress trial. This is why the rise and progress of the Building Guild is of such vital importance for the future of Guild Socialism. It is a trial run of the principles in action. If it succeeds in building better houses in less time and at lower cost than is obtainable under any other system, then it will have laid the foundation of a swift and scientific industrial revolution big with promise for the future of civilisation.

Already there are many little signs that the Building Guild experiment has been launched on the right lines and that it is at last going to be possible for a real self-governing public service to give the community a taste of its quality.

The Board of the London Building Guild is an Industrial Society whose members are elected by the Trade Unions of the Building Industry. The Manchester organisation is similarly constituted. Both Boards include also the representatives of Local or Area Guild Committees, so that the final control rests with the whole of the Building Trade Workers grouped both regionally and vocationally. It is this broad basis that makes the Guild so different from any self-governing workshop, for the men appointed to administrative posts become responsible, in every case, to a much larger circle of Guildsmen than the actual group they lead. With this foundation the Guild can undertake an ever-increasing share of the work of the industry without having to widen its electorate every time it augments its pay-roll.

Already the technical side of the industry is awakening to the possibilities of the new experiment. A group of architects and surveyors has secured representation, and it is quite evident that in the matter of staffing its technical services the Guild will encounter no difficulties.

Mr. Mellor's criticism that Guild ideas have failed to arouse the enthusiasm of the rank and file certainly does not apply to the Building Guild. An organisation fostered by leaders only must inevitably develop from the centre outwards. The reverse will be the case with any really rank

and file movement. The Building Guild is developing inwards from the outer fringe. The movement began, early in 1920, with the formation of local committees of Building Trade Unionists scattered all over the country. These were linked together by means of Regional Boards, of which the London Board is the first complete example—and the regional boards are now united upon a national board which is holding its first sittings as I write these words (November, 1921).

As is natural in any organisation so tremendously alive as the Building Guild, there are very many portions of the framework still to be filled in. But its main outlines are becoming fairly clear. At the centre stands the National Board, concerned with the arrangement of credit for the whole of the building operations—with the supply of building materials both by purchase and by manufacture—with all forms of Guild insurance and publicity—and generally with the centralisation of just those things that need it for efficiency. Briefly, the National Board is a combine of self-governing units designed to secure for the service of the public the great advantages of industrial combination. Around it are the Regional Boards, probably ten in number, all equipped with the necessary technical staffs and acting as contractors for all the larger building operations. Round them are the District or Area Guild Committees, which staff the contracts in their areas and generally control the conduct of the work. Many of these will probably run jobbing and repairs departments of their own. Each of these three types of Committees has its own work to do and does not overlap the functions of the others. Like the forwards, half-backs and full-backs of a football team, they constitute, together, a combination that instinctively works in unison.

I have developed this at some length in order to bring out the real value of this great experiment in new methods of industrial control. Men are learning at great speed many important lessons in administration and control of policy. They are building a machine that can work quickly and has

great creative possibilities. Of course mistakes are being made—and as a rule they are new mistakes—but the only way to get the system right is to keep on trying different ways. There is no charted path. But already it is possible to say that a great crisis would not find the Building Guild unprepared to extend its operations right and left throughout the country

That is the great achievement of the Guild idea. It has actually launched the first instalment of a new industrial system based upon creative service. It has called for volunteers from every grade of the industry and has brought them into action upon contracts valued at £2,000,000. Several of the Guild theories have already proved themselves to be true in practice. Probably the most striking of all is the revival of real craftsmanship. Housing authorities on every hand are agreed that on Guild contracts the quality of the work in all trades is better than that obtainable under the ordinary contractors. The roughcast at Walthamstow is said to be the best in England. The scullery brick-work at Greenwich is considered by some to be superior to the outside facing work on many other housing schemes. Carpenters have declined to build defective timber into the houses and have secured better material. This keen supervision by craftsmen over their own work is, of course, far more effectual than any kind of outside control that could be devised.

Although Mr. Mellor talks of an uneasy equilibrium between the mediævalists and the revolutionaries, there is certainly no serious conflict between the individual craftsmen and the mass productionists. Both have their undoubted place to-day. One is an artist—the other an engineer. The scientific production of well-designed standard fittings of real quality will not displace, but will actually make more possible, the purchase of individual pieces of craftsmanship; and Guild developments of this kind cannot be far away.

Another very important piece of Guild theory is greatly strengthened by the fact that the policy of continuous pay

in sickness, accidents, bad weather and holidays—which is in force on all Guild contracts—has not increased the cost of production. Although the actual liability under this heading is equal to 11½ per cent. upon the pay-roll, the total costs of completed work reveal a saving of approximately 5 per cent. upon the Guild estimates, which in turn were below competing tenders. It is admitted that this scheme of industrial maintenance is only partial and must remain so until the Building Industry as a whole is prepared to follow suit and establish unemployment pay in every contingency as a first charge on production. But this, too, cannot be far off. Indeed its revival will be greatly hastened by the extent to which the Guild is able to set the pace. Already the Building Trade Unions—fired by the Guild's example—are putting full industrial maintenance at the head of their national programme. Industrial maintenance secured in one industry, must spread with great rapidity to others. It is in many ways the key to the whole position, for it will bring an entirely new status to the industrial worker and will set him free to devote himself to the rebuilding of his industry upon the lines of self-governing public service.

The plan of Industrial Revolution by consent must not be dismissed until it has been really tried. To all men of creative ability the Guild idea makes an almost irresistible appeal, and wherever the creative impulses are stronger than the possessive—the Guild will win support. We may be told that this hope is groundless and that the employers will never abdicate. But employers who have the courage to volunteer for Guild service will not regard it as abdication. They will be men who have caught a glimpse of new industry in the making and are keen to offer their experience and skill to help it forward. For the old industrial system is breaking down before our eyes. It is not good enough for human nature, because it does not appeal to the best.

THE PHILOSOPHY OF INDEMNITIES

By M. PHILIPS PRICE

"Not that which is counts, but the tendencies which control that which is and so lead up to that which is to come."—J. J. RUEDORFFER.

FOR their services in "making Germany safe for democracy" the Socialist leaders of the November Revolution, relying on Wilson's 14 points, expected and firmly believed that they would be received into the League of Nations. They were deceived. Bethmann Hollweg's necessity in August, 1914, knew no law. Nor did that of Clemenceau and Lloyd George in June, 1919. And the necessity of modern capitalism demands that the losses caused to victors in wars for the domination of the raw materials of the earth, the destruction of wealth, the killing of manhood, and the consequent loading of finances with paper debt, shall all be thrown on the defeated nations. And so the merciless logic of economic forces under capitalism swept aside the pious wishes of the 14 points and condemned the population of Central Europe, defeated in arms, to make good by modern slave labour the cost of the conflict between the two great alliances in the world war.

Now, in order to understand the crisis in Germany, one must look not only at the immediate causes—German war finance and the military and economic pressure of the Allies—but at the objective forces which stand behind them. It is then possible to discover certain well-defined tendencies in the development of the capitalist system in all countries during and since the war. In my article, "Europe's Coolie Plantation," last August, I showed how German war finance and the collapse of the Empire had certain distinct social and

historical causes behind them. In this article I will attempt to show that the policy which created the Versailles Treaty is only explicable in the light of the new developments of world capitalism, and that consequently the crisis in Germany is only a part of the crisis of capitalism everywhere.

Now of all the Allies the one that suffered most from war destruction, and at the same time followed most closely the example of her enemy in financial profligacy, was France. If eight milliard sterling was the figure estimated at the Versailles Peace Conference for the total war damages, pensions and allowances of the Allies, about three and a half milliard sterling, or nearly half the total, was the amount incurred by France. Now by far the greater part of this was covered by short- and long-term loans taken up at home, in England and America, and by the inflation of the currency. And here the new development of capitalism begins to show itself. French capitalism during the war, like German, strongly developed its finance side. That is to say, by the excessive issue of paper obligations of all kinds the banks, which at the commencement of the war had considerable industrial holdings, decreased the value of their liabilities to their creditors and increased enormously the value of their own assets. These being material values, like factories, mines and blast furnaces, alone retained their gold values. The banks and heavy industries, therefore, were able during the war not only to pay off debts and mortgages, but were able to become monopolists of the nation's natural wealth by annexing the difference between the gold and the paper values of the small investors' savings. Thus the impoverishment of the petite bourgeoisie and the enrichment of finance capital went on apace in all belligerent lands. And as long as the existing system remains, the only way to bring about an equilibrium again and to restore the gold value of the *rentier's* holding in Government stock and bank investments, both in France and Germany, is for the Government to secure, if it is victorious, a *prior lien* on the material assets of the defeated neighbour. This, then, is the psychology of indemnities. The rapacious

demands of France on Germany are nothing else than a normal phase in the development of finance capital.

The fact that the London ultimatum provisionally fixed the German liability at 6,800 million sterling, which nearly equals the figures estimated as the Allies' war losses, is a proof that the Allied demand for indemnities is in direct relation to Allied financial embarrassments. The debates in the French Chamber show this also very clearly. In introducing the Budget for 1922 the French Finance Minister said: "The financial convalescence of France depends entirely upon the punctuality of the German indemnity payments for 1922. Only then will it be possible for us to avoid new loans." And the French banker, M. Raphael Georges Levy, in the *Times* French Supplement for October 4, 1921, wrote: "The great problem of French finance is a problem of providing for capital expenditure extending over a period of at least another four or five years. We are in exactly the same position we were in during the war: in fact, from a financial point of view, we are still at war. But, instead of living foes, we are now fighting ruin and destruction. Of course this expenditure is theoretically and eventually to be met out of German payments for reparation. But whatever these amounts may ultimately prove to be, should they even cover a larger portion of our damages than now appears likely, it remains necessary to find money to spend in the next three or four years, which will only be made good to us thirty or forty years hence." The voice that here speaks is the voice of modern finance capital, restlessly seeking gold values for its impoverished small creditors and new monopoly powers over production outside its national borders.

It is now gradually becoming understood that the payment of indemnities can in the long run only be made in goods. Germany is to sell in the foreign markets materials to the gold value of the figures printed on the paper debts, which the Allied Governments have issued to their own subjects during the war. The money values obtained by the sales are to be handed over to the Allies. Since 1918,

therefore, the whole of German industry has been reorganised for the export of peace products. And, with the aid of cheap labour, depreciated currency and technical skill, it has been possible for Germany to recapture many of the markets which since 1914 had been closed to her. But the whole tendency of Germany's foreign trade has altered since the Armistice. In 1913, 76 per cent. of Germany's foreign export went to European countries, and 16.9 per cent. to areas outside Europe. In 1920, 82 per cent. went to Europe and 10 per cent. to areas outside. Now, if we examine the figures in more detail, we see that Germany's exports to the Near Eastern countries (the Balkans and Turkey), which in 1913 were 3.1 per cent. of her total exports, in 1920 were 1.1 per cent.; to Russia and the Far East, which in 1913 were 8.9 per cent., in 1920 were 2.5 per cent. On the other hand her exports to Holland, which in 1913 were 6.9 per cent. of her total exports, in 1920 were 16.2 per cent.; to Switzerland, in 1913 5.3 per cent., in 1920 9.2 per cent.; to Scandinavia, in 1913 6.7 per cent., in 1920 16.2 per cent.; to the United States, in 1913 7.1 per cent., in 1920 7.2 per cent. In other words, Germany's exports after the war tended to increase to European countries (especially former neutrals) with a high currency, and to decrease to countries with a currency as weak or weaker than her own in Eastern Europe, the Near East, and Russia.

Similar tendencies have been observed in Germany's foreign trade during the first five months of 1921, although full figures are not yet available. In spite of the protective duties set up by the Allied countries after the London ultimatum, which caused the export trade to England to drop from 6.4 per cent. of the total German exports in 1920 to 4.6 per cent. for the first eight months of 1921, and from 3 per cent. to 2.2 per cent. for the same period in France, nevertheless Germany's export continued to expand in other regions. To the United States it has kept at the same percentage level for the first eight months of 1921 as against 1920, while to the South American Republics it has risen

from zero in 1920 to 5.1 per cent. in 1921 (first eight months), and to the Dutch and British Indies from zero to 3 per cent. for the same periods.

Now these figures go to show that German Capitalism after the war has been compelled to change the nature of its operations. Formerly exporting goods to the economically weak Colonial areas, where it received payment in concessions, mines and railways, it is now strengthening its exports to the economically strong countries, which least of all need its goods. Moreover, for a large part of its exports it receives directly no payment, except from its own Government, which immediately passes the burden of the indemnity on to the consumer, the small *rentier* and Labour. Germany's exports, therefore, which formerly used to act as capital applications to Colonial areas, are now becoming tribute paid to the highly industrial lands, who are in danger of serious indigestion, as the result of the tribute. For Germany has become herself Colonial; and her Capitalism, adjusting itself to changed circumstances, can now only live in the shadow of victorious Entente Capitalism.

The chaotic nature of the post-war world economy, in which Germany is involved through the indemnities, is well seen by studying the money exchanges in given countries and comparing them with the volume of trade passing between them. Thus the currency of the United States and of the South American Republics has not appreciably fallen since the war in their relation to gold. One would expect therefore that trade exchange would be active. In actual fact, however, American exports to the Argentine for the years 1919-20 and 1920-21 have fallen from 17 million dollars to 8 millions, to Brazil from 14 million dollars to 4, and to Chili from 4 million dollars to 1. Meanwhile the goods of Germany, whose currency has lost its gold backing, have begun to penetrate to South America and even to the United States.

But the process does not concern Germany alone. Italy and France, with their relatively low currencies during the

same period, increased their exports to the American Continent. If one looks at the other end of the scale, one sees highly depreciated currencies all over Central and Eastern Europe. These areas are all suffering from extreme economic exhaustion, dearth of goods on the home markets, urgent needs of credits and imports from the West. This is, of course, reflected at once in the currency. The American dollar in Soviet Russia was worth in October, 1921, 32,000 times what it was worth before the war, the pound sterling 25,000 times, the French franc 8,000. With such a state of affairs obviously a scheme of import credits is urgently needed to re-establish an economic balance. Yet the lands with high currency, from whom alone assistance can come, not only do not help with import credits, but by the whole tendency of their policy act in exactly the opposite direction. Their representatives demanded in Brussels last month the recognition of the obligations of the loans of the Tsar's Government as the first step to the granting of import credits to Russia. As these debts of the Tsar's Government can only be paid, like the German indemnities, in goods, the prospects before Russia are the same as the prospects before Germany. An exhausted land is to be still more exhausted by the imposition of a tribute in material, which shall be exported from the land in liquidation of paper bonds. The demand on Germany for indemnities is part of the same phenomenon as the demand on Russia for the liquidation of the Tsar's debts. In the latter case the debts represent the tribute levied on the Russian peasants for the privilege of acting as cannon fodder for that instrument of French finance capital, the Triple Entente. In the former case the indemnities represent the tribute, levied by the same finance capital, for the ravages of the war, which the Triple Entente helped in inciting. In both cases the "economy of tribute" is preventing the "economy of exchange."

Thus Germany, whose currency has only risen 300 times in relation to the Russian rouble since the war, the Baltic

States, whose local currency is about 100 times above it, and Poland, whose mark is about on the same level, are all prevented by blockades, political restrictions, treaties and the sabotage of bondholders, working through diplomatic channels, from opening up exchange of commodities between Central and Eastern Europe. The recent conference of the Baltic States with the representatives of Soviet Russia at Riga shows the strong natural tendencies at work to bring about more active exchange of commodities and to redress the disturbed balance in the economy of the impoverished Continent of Europe. Germany has for months been trying to break the sabotage of direct railway transit between herself and Russia, which is persistently carried out by the agents of French militarism in France's satellite States in Eastern Europe. Even in Poland during the last six months tendencies have been at work which, consciously or unconsciously, aim at emancipating the country from the spell of the French alliance, with its veto on trade and demand for tribute.

The Versailles Treaty is thus only one aspect of the post-war attempt of the victors to throw the burden of inflation on the vanquished and to sacrifice the exchange of real values for one-sided contributions, thus upsetting still further the economic balance between countries. The vanquished in the war, however, consist not of Germany only. They include also Russia, the Baltic States, the new satellites of France, arisen from the ruins of the Austrian Empire, and even Poland herself, that proud lackey of the Banque de France in Eastern Europe. And can even France, with her tribute, as yet unpaid, on the war loans taken up in America and England, be regarded strictly as victorious? She is like a profligate, speculating heavily, in the hopes of paying off a huge debt. Can England, with her debt unpaid from Italy and France, with America pressing for her interest, and with Germany threatening to undersell her on every neutral market, be called victorious either? The only victors have been the bondholders, particularly in America. The van-

quished have been Labour and the small middle classes of all countries, particularly of the European mainland. Their defeat can only be undone if they now take up a relentless struggle against the international bondholder. This fight can be fought in Germany by abolishing the load of the indemnities on the German masses. But that is only one part of the front. The fight must be taken up in every country for the cancellation of the war debts, for the deflation of currencies by levies and requisitions on finance capital, and finally for the acquisition of control over production by producers and consumers. How far developments in Germany are moving in this direction we will consider in another article.

POLAND

By JACK MILLS, M.P.

AMONG the many blunders of the tragic Treaty of Versailles the method of the creation of the Polish nation stands out as one of venomous statecraft, actuated by two motives—revenge and fear; to tear apart the territory of the German Empire, where coal and steel might aid its recovery, and by the erection of a "buffer State," to prevent the spread of Bolshevism in the East. No question of the principle of self-determination or the rights of small nations actuated these statesmen who, but for a revolution which none foresaw, had already handed over Poland to a Russian Tsar, by the pre-war secret treaties.

This policy of expediency might have had some justification if the nation so formed was one of a peaceful and phlegmatic character that could have led the European peoples, by example and precept, to seek peace in harmonious and constructive effort; for the state of Europe was indeed desperate. Great States had been riven asunder; subject peoples who had been absorbed in the greater European States were suddenly called upon to undertake the responsibility of self-government, without any administrative or political apprenticeship; and one of the most crowded areas of the world was faced with a complete breakdown of the machinery of production and transport. Dense industrial centres which had relied upon a delicate organisation of which the foundations were supported by coal and iron, transport, and an unbroken supply of imported food and raw material from other continents, were faced with the responsibility of finding food and raw material from their own resources, and the task of repairing a shattered system of transport which for five years had been run for military purposes, added to which was the spirit created by five years of war. It is in the light of these facts that one must view the policy of Britain and France, and review the instrument which they had fashioned

for their purpose; for the speeches of the Allied orators and the Allied Press prove only too clearly that Poland was to be the third in a military convention of the Powers of the Entente.

Polish history is one long record of conquest and domination wherever possible, governed by nobles who would permit no middle class to develop. The country accordingly possessed no active and organised trading interest, nor any fixed revenue, and was obsessed by a crude nationalism intolerant of other creeds, because of an intense Catholicism, unrelieved by any general culture or tolerance. Its incapacity for administration or even national unity is attested on the pages of history, where individual ambition wrecked the national prospect times without number; a nation which never attained a true national consciousness, or possessed a capacity to assimilate the peoples it conquered to form a united nation; a country in which the governing class alone had rights, the rest of the people being treated as slaves, precisely as the Poles treated the peoples whom they conquered. The historian Lelewel has written: "The nobles regard the cultivator and the plebeian as dogs; that is the expression used by these abominable men, who, if they kill a peasant, whom they call the rubbish of the earth (chlop), say they have killed a dog."

During all the vicissitudes of Polish history down to the final ruin of the Polish cause in 1863, the peasants remained serfs, unlettered and untaught.

The Russian revolution affected Poland as it did every other country, and thus we find Poland after the Armistice without an owner, its fate awaiting decision at the Peace Conference. We have now to view the new combination in another light. The social upheaval which began in Russia had repercussions all over the world, and not least in the starving countries of Europe—the Ukraine, Hungary, Austria, Georgia, Finland and Bulgaria. All had adopted a Socialist or semi-Socialist form of Government, and the Allies were faced with the problem of counterbalancing the

spread of a new and, as some of them held, more dangerous force—revolutionary Socialism. From the Volga to the Rhine the leaven was working; even Poland adopted a Socialist Government by election, with Moraczevski as President. But the many and varying forms of the new social upheaval had this in common—that all alike were frowned upon by the statesmen in Paris.

They were part of the rebellious and dangerous forces against which the new Balance of Power was directed, and the blockade was imposed upon all, for owing to their special economic position the Allies were enabled to exercise a power which they were not slow to use. The Allied Governments controlled nearly all the exportable surplus of food, coal and raw material, and nearly all the means of transport. They could dictate their policy by starvation, or even by the mere threat of starvation, far more effectively than by force of arms, and this weapon, greater than any conqueror in history ever wielded, they used to enforce their will. The threat to withhold supplies to the Ukraine, Lettland—in fact, all the Border States of the former Russian Empire—was to enforce the war against the Bolshevist Government, or to prevent the rise of any other Communist Government to power.

In Poland it was used to bring down the Socialist Government, although that Government had shown its hatred of anything Russian by refusing to negotiate with Russia, and by the murder of the Red Cross Mission in December, 1918, and there emerged a Government Chauvinistic, anti-Semitic, and altogether pliable to the plans of the Allies. From that date we have Poland thirsting for conquest, chafing at the Curzon line, invading, and inevitably suffering the fate of the presumptuous. Proposals for peace from Russia were submitted to France and ignored, and to this day hopes of the overthrow of the Russian Government are openly expressed. To walk through Warsaw in 1921 is to be reminded of 1916 in Britain, when every other man was in uniform. For Poland, even in 1921, is still a nation in arms. When the Great War ceased, and Poland, which had fought on the side

of the losers, was given its nationhood, not because of its sacrifices, but in spite of its record, it speedily responded to Entente pressure and the grandiose plans of its own Jingoes. Within four months of regaining her freedom, Poland was at war with all the countries on her four frontiers.

General Pilsudski, who had commanded an Austro-German division during the war and up to the Armistice, became the hero of Poland, and incidentally of the Yellow Press of Britain and France, who were careful to suppress the fact that the massacre of Jews was an everyday affair in Poland, where every Jew was a Socialist, and every Socialist a Bolshevist, according to the Polish Press.

Politically and culturally an immature and backward people, they have the power to make their land a hell for its three millions of Jewish population, and open brutality is a common sight in the streets of Warsaw to-day, even as in the days of the Tsar. The streets provide a pitiful contrast—civilian men and women in rags, beggars everywhere, no sign of any municipal administration, filthy roads and decaying houses, and yet a military show which for variety of uniform and pomp is unequalled in any European city. The Polish sailors are resplendent and plentiful, although there are no ships, except a small gunboat on the Vistula.

In spite of all the material granted from the surplus war stores of the Allies, the thousands of German locomotives, carriages and goods waggons, motor-cars and waggons, transport is in a state of chaos, and the traveller soon learns to lay in food and candles for any journey, however short. During the German occupation the agricultural land was exploited to the utmost by them to provide food, and upon evacuation they left huge areas well-tilled, fertilised and ready for food production.

Yet the Society of Friends, who are doing noble work in relief and re-settlement, are the only people engaged in clearing the other areas of barbed wire and in rebuilding the devastated areas. They have asked repeatedly for a release of horses from the army for clearing and ploughing purposes,

but without success; and the returning peasantry, coming back from Russia, have to wait in camps until the services of a Friend can be obtained to take them to their former homestead. Such is the economy of the Polish Government, whose last budget realised one-eighth of its expenditure, and whose army now exceeds that of Great Britain.

In Warsaw alone a mission of French officers exceeds 1,600 in number, and the notorious White Russian General Savinkov was in open command, with headquarters in the same street as the Soviet Embassy. The papers were reporting the quarrel between Savinkov and General Balakhovitch as to who was responsible for the massacres of the Jews (which before the quarrel had, according to official reports, never taken place). The catastrophe towards which the notorious slovenliness of Polish administration is leading, is advancing with gigantic steps. In August last the value of the Polish mark had sunk to less than a third of the Austrian krone. The paper currency in July exceeded 100 milliard marks, of which only 13,000,000 is backed by gold.

The Polish national debt amounts to about 250 milliard marks, although Poland entered upon its new existence free from debt. Now that it is on the verge of economic ruin, the Polish Press begins to realise where Imperialistic megalomania is leading. Poland is suffering from hypertrophy of militarism and bureaucratism. For the 25,000,000 inhabitants there are 420,000 officials.

In Warsaw every thirteenth inhabitant is a State functionary. Its industries are stagnant, and production not a ninth of pre-war productivity.

Petroleum production in 1914 equalled 64,000,000 cisterns; in 1920 it is less than 64,000.

Surrounded by enemies owing to its foregn policy, Poland is proving a costly experiment for the Entente, and a menace to the resettlement of Europe.

THE FERMENT IN AMERICAN UNIONISM

By GEORGE SOULE

THOSE who gain most of their information from the printed page suffer from a habit of taking too seriously the resolutions, speeches, and pronunciamentos of a Labour movement (as, indeed, of any political organisation), and not looking carefully enough into the structure, personnel and tendency which function silently underneath. The American Labour movement in particular is misapprehended among those who do not know it intimately, on both sides of the Atlantic, because its peculiar form and an accident of titular leadership have encouraged this weakness. On account of Mr. Gompers' attitude towards the war and its aims, towards the Peace of Versailles, towards the Russian Revolution, towards almost everything, in fact, which contains a large admixture of the political and has a comparatively small bearing on the immediate problems of the American Trade Unions, observers have inferred that the Labour movement in the United States is hopelessly reactionary, and that there are in it few elements of healthy growth. Is not Mr. Gompers President of the American Federation of Labour? And is he not re-elected year after year with little serious opposition? But in order to understand how much weight is to be given to his utterances, and how indicative they are of the Trade Union movement in general, one must look a little closer at the organisation of which he is the head.

The American Federation of Labour is in reality a federation, and one of the loosest sort. In spite of the fact that it has executive officers, it really has little more power over the industrial affairs of its affiliated bodies than has the British

Trades Union Congress. Its funds are comparatively small. Its executive has no authority to endorse or to refuse to endorse or to call or set in motion any machinery for calling strikes. From the internal affairs of its affiliated Unions it holds strictly aloof—"craft autonomy" is its shibboleth. Its annual convention passes innumerable resolutions, but most of these concern political matters or subjects having to do with the general welfare, such as the Union label or the Labour Press; none of them actually sets in motion any machinery which directly affects industry. Just one power this convention has which really matters and is feared—the power of deciding disputes between Unions about jurisdiction or demarcation. The penalty for failure to obey this sort of decision is first suspension and then expulsion from the Federation—a punishment which has been from time to time borne without serious inconvenience by numerous strong Unions. In fact, it is sometimes asserted that the ruling political machine of the Federation will not decide an important jurisdictional case against any of the more powerful Unions and in favour of a smaller one, for fear of having to execute the penalty. Whatever be the truth of this assertion—and it is one which Mr. Gompers would indignantly deny—it is certain that many lesser Unions are held in line on matters of broader import but of small immediate concern by fear of offending the powers who will decide on their jurisdictional cases. There is an enormous amount of log-rolling about these matters in the annual conventions, and it is partly because of his unequalled skill in riding these troubled political waters that Mr. Gompers has so long remained in the ascendancy. The delegate is conscious that the real industrial power lies in the constituent Unions, and as long as the administration does not disrupt his Union by giving its membership to another, he is willing to let Mr. Gompers make almost any high-sounding statement he wishes about Russia or Germany. It must also be remembered that Mr. Gompers, in spite of his age, is unrivalled as a Parliamentarian and as a speaker. Delegates who re-

member his long and undaunted service, and honour his evident sincerity, hesitate to vote against him until some outstanding and unexceptionable candidate appears to compete with him. So it happens that although the majority of the convention often disagree with Mr. Gompers on broader issues—they have in fact passed important resolutions against his opposition in the last two conventions—they continue to elect him President.

In order to discover the reality behind this deceptive stage-curtain it is necessary to look at the great "Internationals." (So our national Unions are called, because most of them cover the United States and Canada.) In their treasuries are accumulated the bulk of the funds of the Labour movement; in their conventions are fought out the issues that matter; it is they which have the power to direct strikes and to affect industry. Progress in the Labour movement first shows its head in their affairs, and when they have been sufficiently transformed, their pressure will transform the American Federation itself. The Federation was not organised to lead, but to bind together, and it may after all be argued to be fortunate for the American Labour movement that its officers are not of the hot-headed type who leap over the top without making sure that the army is solidly behind them.

Perhaps in nothing is the difference more marked between the stereotyped attitude of the Federation and the actual behaviour of the Internationals than in the attitude towards industrial Unionism. Officially, this term, with its usual implications, is taboo. Yet the largest International in the Federation—the United Mine Workers—is industrial in form, resorts to nation-wide industrial strikes, and has been held back only by conservative officials, who now face a strong internal opposition, from pressing actively for nationalisation and democratic operation of the mines, for which its convention declared two years ago. The railroad Unions furnish an even more striking example of the tendency. Jurisdiction over the various occupations of rail-

road workers is held by no less than twenty separate Unions, nominally of the craft type. Four of these, ordinarily spoken of as "the Brotherhoods," include the engine drivers, firemen, conductors and trainmen, and are not affiliated with the Federation at all. They are the oldest and strongest of the group. Of the rest, four have members only on the railroads, and twelve others, such as the machinists, the boilermakers, the blacksmiths, etc., extend into many industries. Obviously it would be impossible for such a miscellaneous group of Unions to deal with the united power of the railroads in the old-fashioned separatist manner. As a result of a process of gradual growth, the railway workers of the sixteen A. F. of L. Unions are now joined in the Railway Employees' Department, which functions as far as they are concerned exactly like an industrial Union, both nationally and locally. This Department has its executive, its research staff, its legal counsel and its publicity bureau. It presents the cases of these sixteen Unions before the National Arbitration Board, it publishes a weekly newspaper with a circulation of something like a million copies, and if a strike should come, it would direct the hostilities. The Railway Employees' Department works hand in hand with the four Brotherhoods, which also are closely affiliated with each other. The last strike on a railroad in the United States called out at the same moment every employee of every occupation without regard to his Union. The organisation of the railroad workers is complicated in detail and is by no means so smooth and efficient as that of the British National Union of Railwaymen, but it gives a remarkable illustration of how close so-called "craft Unions" can approach to industrial Unionism without ever using the word. This group is now recognised even as a political bloc in the A. F. of L. Convention, and formed the centre of the opposition which succeeded in defeating Mr. Gompers on the issue of nationalisation. Yet during the years in which it was being built, hundreds of paper plans for transforming the Federation into a group of industrial Unions were submitted to the conven-

tions by the debating type of radical, and were almost unanimously defeated. It is developments such as these that show progressive Trade Unionists where their efforts are most likely to bear fruit.

The largest as well as the most radical of the "railroad group" in the Federation is the International Association of Machinists. Its scope may be imagined if the English reader will suppose the Amalgamated Society of Engineers to extend also over the railways, covering there the same occupations as in manufacturing industry. It is the third largest Union in the Federation, following the Miners and the Carpenters. It is committed to industrial Unionism, already in process of achievement on the railways through the Department scheme, and less thoroughly practised elsewhere through the Metal Trades Department of the Federation. The fact that a number of the most powerful Unions, such as the Machinists, favour industrial Unionism while themselves extending into numerous industries, gives promise of achieving an inter-industrial alliance with some real force not long after the machinery for industrial action is set up.

The Machinists, in this strategic position, have adopted a thoroughgoing radical, if practical, policy. They are on record by resolution of their convention as opposing wellnigh every debateable administration policy of the Federation, foreign and domestic. They desire the recognition of Soviet Russia, they favour international affiliation, they believe in independent political action, and they are back of a general policy of nationalisation and democratic operation of basic industry. By instructing their last delegates to the A.F. of L. Convention not to vote for any candidate for office who is a member of the National Civic Federation —a non-Labour body with a highly questionable record— they prohibited their votes being counted for Mr. Gompers and most of the rest of the Executive Council. The Machinists are also conducting a number of interesting experiments, looking to workers' control. They own a ship repair yard in Norfolk and a printing plant in Washington,

in which they are applying shop-committee methods. They also own an important bank, which as fast as it secures credit and opportunity, loans to employers of their members at a lower rate than can be obtained from capitalist banks, and is thus acquiring a rapidly growing actual control of their industry. They have the purchasing agency from Mexico for machinery and metal goods of all kinds in the production of which their members are employed. No one should make up his mind that the American Labour movement is reactionary without taking a close look at this Union.

Even among the printers, who are usually thought of as the oldest and most conservative of the Unions, the ferment is at work. The International Typographical Union is the oldest extant national Union in the United States; it antedates the formation of the American Federation of Labour by nearly thirty years. Although it originally had jurisdiction over all the employees in printing plants, it failed to organise many except the compositors, and gradually let go the pressmen and other less skilled operatives, who formed Unions of their own. For years it has occupied the right wing of the Federation. Recently, however, a rank-and-file movement has arisen in the Typographical Union which has achieved marked results. A number of industrial Unionists formed a political party within the Union, with the intent of capturing its control from the reactionaries and bringing about industrial Unionism in the printing industry. This organisation calls itself the "Progressive Party," it publishes an organ, *The Industrialist*, it maintains headquarters, and even sends out organisers to the smaller locals scattered throughout the country, which are usually, because of their remoteness and dependence on the national executive machinery in case of trouble, counted as supporters of conservatism. By dint of these efforts the Progressive Party has succeeded in electing its candidate to the Presidency of the Union, and hopes to follow soon with a clean sweep of the officials. Meanwhile it is not idle locally. It has organised unofficial "closer affiliation leagues," containing

active spirits from the various printing Trades Unions in several important cities, and through these leagues aims to prepare the way for industrial Unionism by securing uniform termination of contracts, and uniform action in strikes. The members of the leagues, deciding upon a common course of action in their meetings with each other, disperse to their several Unions to spread their gospel, and bring about the action they wish through the regular Union machinery, and have already succeeded in dispelling a good deal of the jealousy and ill will which normally arises between separate craft Unions operating in the same shops. Only those who have been close to the detail of Union action know what a necessary step this is toward real solidarity.

Movements of this sort are the more remarkable because they are without nationally known leaders. They depend entirely upon what the Syndicalists used to call the "militant minority" within every local and district council—the same group of activists who can, if they adopt well-conceived policies, assume leadership in any situation. There has been a decided change lately, however, in the tactics of these minorities. They used to make all sorts of trouble for the Union organisation by their precipitateness, which was mistaken for radicalism, and often deserved the appellation of disruptionists bestowed upon them by the conservatives. Lately, however, they seem to be thinking their way more carefully, and are winning their way by virtue of the appeal that they are engaged in strengthening the Union organisation. To this no Trade Unionist can object.

The philosophy which lies behind their present tendency owes its acceptance as much to William Z. Foster as to anyone else. For years, since he left the I.W.W., he has been going about the country preaching his doctrine in season and out of season to everyone who would listen. His thesis is that the curse of the American Labour movement has been the failure of the radicals to work within the established Union organisations. These active spirits have

in the past left the old Unions to found competing bodies, or while remaining in them have regarded them as hopeless, ceased trying to improve and strengthen them, and dissipated their energies in political or other agitation. Foster regards the Trade Union movement as a great historic process which will eventually, in the course of its natural growth, furnish the industrial machinery of the new State. But he is no believer in automatic evolution, and he calls upon the radicals to be good Union members, to learn how to work within the regular organisations, to act so that there is no possible excuse for their expulsion, and at the same time to leaven the mass and to build up industrial Unionism within the old bodies. He has recently founded, for the purpose of propagating this strategy, the Trade Union Educational League, which aims to duplicate in many industrial groups what has been going on among the railroad men and the printers. The League will eventually have a national organ, which will discuss the problems of the various industries, build up a public opinion among Trade Unionists, work out problems of tactics, and contribute to the construction of something like a real solidarity in the movement. If Foster is successful in gathering together anything like a majority of the active spirits within the several Unions and imbuing them with a consistent philosophy and practice, the American Labour movement will before long have a motive power which cannot help bursting through the surface in such a way as to be easily recognisable by all. But whether he succeeds or not, much the same process is taking place spontaneously, and the future is not entirely hopeless.

SHORTER NOTICES

GERMAN LABOUR & THE FEDERATION OF GERMAN INDUSTRIES

THE financial crisis in Germany has brought the German Labour movement face to face with a situation without parallel in any country. The open demand of the German Federation of Industries for the virtual abdication of the State in return for coming to its financial assistance has confronted German Labour with the problem of power in its most naked form. The Trade Union organisations, which had at first actually supported the proposal of a loan from the Industrialists, have been compelled to come out in opposition with a series of demands of a confiscatory character. The nature of the proposal of the Federation of German Industries may be gathered from the resolution in which the conditions of granting a credit were embodied.

RESOLUTION OF THE FEDERATION OF GERMAN INDUSTRIES

The Federation of German Industries authorises the Committee, specially appointed to deal with the matter of credits, to continue negotiations with the Government of the Reich, in conjunction with German banks, on the question of extensive financial support to meet the Reparations demands; the following conditions, however, are obligatory:—

It is essential that the Government and Reichstag introduce an economical financial policy into all departments of State, and that restrictions injurious to free activity and development be removed from industry. Above all, the present enterprises under State control, or that of public bodies, must be so conducted that instead of being a burden on the national resources, they relieve them. It should be the aim of our home economic policy to employ in productive work all those available who are not fully occupied. The Industrialists must have the certainty that by means of their collaboration unproductive enterprises are so conducted that they will be in the position of not only paying the interest on the proposed loan, but in time the capital, thus relieving the Industries that now voluntarily give temporary help.

The Trade Unions, which had welcomed the suggested help of the Industrialists, protested immediately against the threat to the liberty of the workers contained in the above resolution; they pointed out that any loan advanced to the Government was but an advance on taxation, and that the Government possessed full powers to *take* all the money it required. The protest resolution is as follows:—

JOINT RESOLUTION OF THE EXECUTIVES OF THE GERMAN FEDERATION OF TRADE UNIONS (A.D.G.B.) AND THE FEDERATION OF CLERKS AND TECHNICAL EMPLOYEES (AFA-BUND).

The Executive Committees of the German Federation of Trade Unions and the Federation of Clerks and Technical Employees regard the conclusions of the Federation of German Industries, on the question of granting credits to the Reich, as highly provocative to the whole working-class population. The organised Industrialists impose conditions on the proposed taxation advances which must necessarily result in material injury to the workers, employees, and State clerks, whilst depriving them of their rights both in political and economic matters. They demand political guarantees from the Government on behalf of business enterprise which imply at least a limitation, if not the abolition of the workers' right to a voice in industrial control, the denationalisation of the railways and other State enterprises, and the dissolution or abandonment of the eight hour regulations. The tone of the decision makes it only too clear that the granting of these credits will condemn the State and with it the large mass of the population to an ever-growing and insupportable dependence on capitalist enterprise. The proposed grant of credit from the Federation of German Industries was first announced as a great deed on behalf of the nation, and was therefore supported by the Trade Unions. But now the decisions arrived at betray it as a new instrument of power to be used by the organised employers. The United Trade Unions expect the Government to reject unconditionally the demands made by the Industrialists in respect of the granting of the said credits.

After further meetings held to consider the situation the Trade Unions decided that no mere refusal on the part of the Government of the financiers' terms would suffice; but that the State should resort to legal regulations to protect the country. They therefore drew up the demands printed below, which they urged the Government to translate into practice without delay.

DEMANDS OF A.D.G.B. AND AFA-BUND, NOVEMBER 15, 1921.

1. Participation by the State in real values. Transference to the State by limited companies of 25 per cent. of their share capital; smaller businesses and agriculture to be subject to a tax of equal proportion regulated according to the change in money values.
2. Socialisation of the coal industry as a means of raising the State credit.
3. New regulation of the means of transport with a view to putting them on an economic basis as soon as possible.
4. The strictest control of export of money by development of the control of foreign trade.
5. Imports to be restricted to daily necessaries.
6. Increase in the export duty so as to equal the amount of profit made by the exchange discrepancies.
7. Rapid collection of the State emergency levy.
8. Immediate collection of all usual taxation, especially income-tax.

Those liable to taxation should be compelled to deliver at once the amount of their taxes to the finance offices. Should their contribution be 25 per cent. below their estimated income-tax returns, they should, in accordance with the Finance Minister's decision, pay the balance, plus 5 per cent. interest. If, however, the income-tax paid falls below 25 per cent. of the obligatory sum, interest to the extent of 30 per cent. must be paid on the missing amount. Business taxes should be paid monthly.

9. Taxation of profits accruing from traffic in bills of exchange and stocks.

10. Control of all private trade monopoly.

The seriousness of the situation created by this recent move on the part of the Industrialists and its far-reaching effects have caused the Communist Party to make a further effort to establish a united front composed of the whole proletariat, and at a special executive meeting the Party tabled the following resolution stating its desire to co-operate with the A.D.G.B. and Afa-Bund in obtaining the realisation of the demands they have made to the Government:—

RESOLUTION OF THE UNITED COMMUNIST PARTY EXECUTIVE, NOVEMBER 16, 1921:—

. . . The duties of the Party coincide with those which face the whole body of workers on account of the increasing misery of the masses and the supremacy of Big Business. The Communist Party is in agreement with the vast masses outside its own Party, who are lining up in increasing numbers to form a united front to attain their aims. The announcement made by the General Federation of German Trade Unions, demanding the seizure of real values, is the result of the pressure of the initial movement of the masses against the Stinnes coalition and the slavery under the wealthy bourgeoisie.

The German Communist Party will strain its influence to the utmost to mobilise the last worker in this struggle and to prevent the unavoidable conflict between the workers and the bourgeoisie from meeting with renewed failure.

The workers cannot possibly carry this struggle through to its logical conclusion, either under a Stinnes government or any other bourgeois government. For this reason the Party must conduct the struggle against the Stinnes coalition by every possible measure (mass demonstrations, general strikes, and eventually dissolution of the Reichstag).

The Communist attitude towards any new government (Socialist or Workers' Government), which may result from any such struggles whether parliamentary or extra-parliamentary, will depend on the political position arising, and on the political tasks which any new government may set itself.

The Communist Party wishes to dispel any doubt as to its attitude towards a Socialist Government which adopts the demands now put forward by the masses; such a government, pursuing a proletarian policy, will be sure of the complete support of the Party. The Party will exert itself to the utmost, by the mobilisation of the masses, to urge on the Socialist Government to keep the interests of the proletariat to the fore. This

policy must eventually result in the dissolution of the parliamentary machine because of the continuously increasing struggles between the bourgeoisie and the proletariat. The immediate preliminary to such a development must be the support of the whole working class, outside parliament, in this struggle for their demands. Only in a struggle on these lines can the workers' united front be realised to the full.

INTERNATIONAL TRADE UNION CONFERENCE ON WAR

AT Amsterdam on November 15-16 a Conference of the International Federations of Miners, Metal and Transport Workers was held to discuss the immediate danger of war and the best measures to be taken to prevent any such outbreak; the Conference was convoked by the International Federation of Trade Unions. It was decided to set up a provisional committee to take any action necessary to prevent war, as shown in the following agreed resolution:—

A COMMITTEE OF INITIATIVE

The Conference between the Bureau of the International Federation of Trade Unions and delegations from the International Secretariats of Miners, Transport and Metal Workers at Amsterdam, November 15—16, 1921, decides:—

That, whilst awaiting the meeting of the International Conference, due to take place at Rome in April, 1922, which will come to a definite decision on the measures to be adopted to prevent new wars;

That the increasing danger of war necessitates the creation of an organisation with the power to proclaim and bring about a general strike, in case of an immediate war, in collaboration with all the organisations interested in the various countries and all the workers belonging to the different organisations affiliated to the International Federation of Trade Unions.

For this purpose a provisional international committee has been set up, composed of the Bureau of the I.F.T.U. and a representative of each of the three International Secretariats of the Miners, Transport and Metal Workers' Unions.

This committee will take all necessary measures to meet any danger of war until the next International Congress.

GENEVA INTERNATIONAL LABOUR CONFERENCE

THE Third Conference of the International Labour Organisation under the League of Nations was held at Geneva from October 25 to November 19. Four hundred delegates attended, representing the 40 nations affiliated, 100 being Labour delegates.

The principal subject before the Conference concerned the conditions in agriculture and, in particular, the question of agricultural hours. However, the active opposition of the French Government to any discussion of agricultural hours led to a resolution postponing the question of hours to a future conference: this was carried by 73 votes to 18.

Conventions were passed on the right of the agricultural worker to organise; the extension to agricultural workers of laws on workmen's compensation; the prohibition of children of school age working in agriculture during school hours; the establishment of a weekly period of rest of not less than twenty-four hours for all workers. In addition recommendations were passed covering the subject of raising the standard of living of agricultural workers, providing adequate housing, regulation of night work for women and children, and the extension of maternity protection to women agricultural workers, provided for at the Washington Conference in 1919 for other women workers.

A further convention on the question of the use of white lead restricted its use in painting interiors of buildings after November, 1927.

Labour delegates complained that the conventions passed at the first conference had not been ratified or even submitted for ratification in accordance with the terms of the Versailles Treaty, and that in consequence the negative character of the results reached was having a bad effect on the attitude of the workers.

BELGIAN ELECTIONS

A GENERAL Election took place in Belgium on November 20. This was the first election according to the New Constitution, which gives a vote to every man over twenty-one who has a six months' residential qualification; the election was carried out on the principle of Proportional Representation. The results showed a strengthening of the conservative forces. The Clerical Party, which was already the strongest party, secured 81 seats, a gain of 8; the Socialist Party secured 66 seats, a loss of 4; the Liberal Party secured 33 seats, a loss of 1. The Socialist vote totalled 671,445, an increase of 26,324 on the last election in 1919. The Communist candidates obtained 3,300 votes, but failed to gain any representation.

ITALIAN TRADE UNIONISM

THE depression in Italian Trade Unionism was reflected in the Congress of the General Confederation of Labour (C.G.L.), which opened at Verona on November 6. In Italy, as

elsewhere, the present period has been characterised by a general attack on wages and widespread unemployment: the most recent figures show 463,108 totally unemployed, 32,899 workers on short time, and 185,418 partially unemployed or working in rotation. This situation led the C.G.L. to approach the Government on October 12, with the request that an inquiry be held into the whole economic and industrial position without delay. The Government agreed, and by a decree of October 20 authorised the formation of a Commission of Inquiry, consisting of 24 members: 8 to represnt the employers, 8 the Trade Unions, and 8 experts appointed by the Government. The functions of the Commission were laid down in Section I. of the decree as follows:—

To proceed to examine the conditions of industry in relation to general market conditions (the exchanges, financial situation, exports and imports, prices, cost of living) and the cost of the various factors in production, instituting at the same time a comparison with competing foreign markets. The Commission shall also indicate measures which may be taken in order to facilitate the resumption of production in Italy.

This policy of the C.G.L. of entering into co-operation with the Government and the employers to meet the economic crisis became the centre of controversy at the Congress at Verona. The action of the Executive was finally approved by a vote of 1,426,521 for the Executive motion, against 415,712 for the Communist motion, which advocated a policy of a general strike against wage-cuts: there were 18,340 abstentions.

The Executive resolution took powers of expulsion against members and organisations guilty of indiscipline. The text of the resolution was as follows:—

The National Council, having discussed the disputes, the rise in the cost of living, unemployment and the other problems arising from the economic crisis, and having considered the two resolutions passed by the Executive Committee of the C.G.L. in agreement with the Executive Committee of the Socialist Party, endorses them and requests the Executive Committee to continue the campaign started to safeguard the interests of the workers, threatened by the employers, who aim at a solution of the crisis to their advantage and injurious to the interests of the community in general; it also requests all confederated organisations to carry on energetic agitation for the realisation of the said resolutions, by methods calculated to succeed, whilst rejecting all propositions from irresponsible elements.

The Council makes it obligatory on all organised members and organisations to maintain the strictest discipline in the field of industrial action; this discipline is all the more necessary because of the difficulties of the present struggle against the employers, and as a means towards that end it authorises the Executive Committee to take any steps necessary to maintain discipline.

The Minority resolution condemned the formation of the Commission composed of representatives of the employers, the C.G.L. and the Government as an abrogation of the intrinsic rights of the Trade Unions as the fighting bodies of the proletariat against capitalist injustice. It further laid down that regulation of wages on the individual merits of each case, in connection with the financial position of the industry, was equivalent to disarmament in the face of the bourgeois offensive; and put forward as the solution for the present crisis the weapon of the general strike. It therefore demanded that the united efforts of the proletariat should be directed towards the maintenance of the following minimum claims which represent the conditions necessary for the very life of Trade Union organisation:—

(a) Eight-hour day;

(b) Effective fulfilment of the agreements in force both for the industrial and agricultural workers; no changes in wages except in proportion to the real changes in cost of living;

(c) Maintenance for the unemployed workers and their families, the burden to be borne by the industrial class and the State;

(d) Full safeguards of the right to organise, and recognition of the Unions;

(e) Trade Union control on appointments and dismissals, so that the fulfilment of all the above points cannot be circumvented.

The Congress decided to retain affiliation to the International Federation of Trade Unions at Amsterdam.

BOOK REVIEWS

FORTY YEARS OF EUROPE

Empire and Commerce in Africa: a study in economic imperialism. By Leonard Woolf. Labour Research Department and George Allen and Unwin, Ltd. £1 1s. net.

My Diaries, 1888-1914. By Wilfred Scawen Blunt. Martin Secker. Two volumes. £1 1s. each.

The Black Man's Burden. By E. D. Morel. National Labour Press. 3s. 6d.

The End of General Gordon [Eminent Victorians]. By Lytton Strachey. Chatto and Windus. 10s. 6d. (cheap edition, 7s. 6d.).

THE most important subject of historical study for Labour is the forty years before the commencement of the European war. It can be studied the more freely because the war, which swallowed up whole generations of men, has placed a gulf like the lapse of a century between that period and our own times. Without an understanding of this recent history it will be impossible for Labour to grasp the present trend of events; and, on questions of what they call " foreign " affairs, Labour will remain the sport of the writers in the daily newspapers until once more, " like flies, they will kill us for their sport."

The significance of this period appears immediately in one thing, namely, that Europe during these forty years is best studied by going outside Europe. It is in Asia and Africa that we find the real meaning of what is happening to Europe. The wars that fill these years are colonial wars; and when there are no wars, there are raids and armed expeditions in all the unexplored or unexploited territories. Europe may seem at peace; but all the time outside Europe the rivalry of the great Powers continues in the struggle for annexations, protectorates, spheres of influence, and extensions of prestige. It is no quarrel in the English Channel that makes bad blood between France and Britain in the 'eighties or the 'nineties. It is a quarrel over Africa and the mastery of the Nile from the battle of Tel-el-Kebir to the affair of Fashoda. And when Egypt ceases from troubling, Morocco becomes the bone of contention between France and Germany. The war of Elizabethan England with the Spanish Armada was preceded by English buccaneering raids on the Spanish colonies. The war of 1914-1918 was preceded by buccaneering of every Great Power amongst the lands of Asia and Africa. Capitalist concessions in other continents are both the prelude and the explanation of the European conflict.

The history of Asia and Africa (the inner history of Europe) from 1875 onwards is not known. It is not even written. But some of it can be learned from the books whose titles stand at the beginning of this review. Apart from Mr Morel's books (which are so well known as to require no further comment here), their present price makes them inaccessible to the ordinary worker; but in public libraries, or, one hopes, in cheap editions, they may be available. From them we can find out something of the story. From Mr. Woolf's narrative (which deals only with the Northern and Eastern coasts of Africa) we learn of the seizure of Tunis and Tangiers by the French, the Italian assault upon Abyssinia and the later seizure of Tripoli, the marauding expeditions of Lugard upon Uganda (Lugard, now sedulously praised as the ideal administrator of Nigeria), of the triple struggle of the British, French and Italians in Somaliland. The partition of Africa is traced by maps which show in 1880 a few coastal strips in the occupation of the Europeans, up to 1914, in which year the whole continent was parcelled out amongst the rival Powers. The narrative is cold and bare of any appeals to Liberal emotion. Simply, and in most cases out of their own statements, Mr. Woolf records the actions of the pioneers of Empire.

The most remarkable feature of the story of imperialism is the revelation of the way in which the politicians, clinging to the policies of the past, were reluctantly forced along the path marked for them by finance capital. Bismarck, until a few years before the end of his rule, was against the overseas expansion of Germany. It was not until Gladstone was dying that the triumphant advance on the Soudan could take place and Kitchener be enabled to desecrate the Mahdi's tomb and so "avenge" the death of Gordon. But once the tide turns definitely in favour of imperialism, then all the politicians, the Press (Liberal papers included), the poets, and the other parasites of the governing class swim valiantly with the tide Egypt is occupied in 1882 under a solemn promise of speedy evacuation. It is nigh forty years since, and there is still a British Army of Occupation. Almost alone amongst the governing class one man stands out against the new policy of imperialism. A country gentleman, unable to learn the new language, clings desperately to the idea of Britain without the British Empire. When all others acclaim "the civilising mission" and the "white man's burden" he obstinately refuses to bow the knee to the new doctrines. More, he spends his winters in Egypt, and by his encouragement of the growing Nationalist movement proves a thorn in the flesh to Evelyn Baring (Lord Cromer). His summers he spends in England, again proving a thorn in the flesh to the Foreign Secretary and the other politicians in whose circles and dinner parties he

freely moves. At last, however, this Wilfred Scawen Blunt seems to be defeated. The dismissal of Cromer after the Denshawai atrocity of 1907 was his temporary success. The proclamation in 1914 of a protectorate over Egypt seemed his final defeat. But, fortunately for those who study the governing class, Scawen Blunt had kept a diary, in which his conversations with the promoters and pro-consuls of Empire were carefully noted down. And in the years following the peace these diaries are published. No more devastating propaganda could be imagined. If the Empire is maintained by a conspiracy of lying amongst our ruling families, then Scawen Blunt's truth-telling is the most effective form of sabotage.

Another remarkable feature of imperialism besides the subordination of nearly all articulate opinion to its progress is the growth of myths and legendary reputations. Lord Cromer and Lugard we have already mentioned. But they are lesser lights beside the serene orbs of Cecil Rhodes, Kitchener (of Khartoum), Stanley ("the explorer"), and above all, in the highest firmament, General Gordon. For twenty years and more the youth of Britain have been sedulously taught to take these men as exemplars. Thus imperialism breeds its own supporters. But in the case of Gordon it has been almost too successful. General Gordon has become a figure so heroic that the first literary genius who comes along must needs deal with him as Shakespeare dealt with Brutus or Anatole France with Joan of Arc. So Mr. Lytton Strachey writes "The End of General Gordon." In seventy-five pages he gives a breathing picture of the man, makes an epitome of all the books available on Egypt from 1882-1884, characterises the home politicians such as Gladstone and Hartington and Granville, and reaches his conclusion in the Battle of Omdurman with the words:

> At any rate, it had all ended very happily—in a glorious slaughter of twenty thousand Arabs, a vast addition to the British Empire, and a step in the peerage for Sir Evelyn Baring.

R. P. A.

COLLAPSE OR COMMUNISM?

The Economics of Communism: with special reference to Russia's experiment. By Leo Pasvolsky. Macmillan, New York, $2.25.

THIS is the first real study of the economic situation in Russia during the years 1917 to 1920. It has been written by an economist whose anti-Communism has not prevented him from collecting and presenting the facts in such a way as to make the book really illuminating. The faults—and they are grave enough—are faults of omission: for example, he produces statistics to show the falling-off in skilled workers, and attributes this to obscure points of Soviet policy, ignoring the all-pervading fact

of mobilisation against the counter-revolution. All through he omits to examine how far the facts were due to the existence of the counter-revolution, preferring to trace everything to Communist policy; and he dismisses the blockade, in a single paragraph, as having had no effect on the situation.

Yet the facts he gives are really authentic, being based on official Moscow papers; and they do show, as he claims, a steady decline in production from 1917 to 1920. Having shown this, M. Pasvolsky thinks he has shown the fundamental rottenness in the economics of Communism. In fact, what he has proved is that M. Pasvolsky does not understand the most fundamental principle of Communism. This is shown most clearly by the very point at which he begins his study of the Russian experiment—November, 1917. Quite apart from the counter-revolution, no Communist would have expected a sudden leap forward in production after the November revolution, for the reason that the cause and condition of the November revolution was the collapse of the existing capitalist order.

If M. Pasvolsky had extended his study beyond the territories of Soviet Russia, what would he have found? In every country, a similar decline of production after the war boom. In every country, this decline could be attributed, in part at least, to the policy of the capitalist Government. It would be easy enough to draw the conclusion that there is something rotten in the economics of Capitalism; and this conclusion would clearly be more justified than his former one, because the capitalist system is fully established in those countries, while the Communist system never has been established in Russia.

But no scientific study of the economic system in any country could begin with the autumn of 1917. In normal times—say, for example, the years between 1910 and 1913—it would not matter very much which year was chosen as the basis of study. The economic situation generally remained steady from year to year. But the economic situation in 1917 was not the same as in 1916, and not at all the same as in 1914.

This applies to Russia more than to any other country. No one doubts this; but a few striking examples, casually referred to by M. Pasvolsky, will serve to show the extent of the economic crisis in 1917. With regard to the railway situation, on which so much depended, M. Pasvolsky says that early in 1917 "Railroad specialists considered that by the fall of 1917 the railroad traffic would have been reduced to such an extent that practically all transportation would come to a standstill." Even more striking are the figures showing that, long before the war, the output of locomotives in Russia had fallen from 1,281 in 1906 to 363 in 1912; and that in 1914, out of a total of 20,057 locomotives in Russia, only 7,108

were under ten years old, 7,937 were 10-20 years old, 1,247 were 20-30, 2,083 were 30-40, 1,535 were 40-50, and 147 were over 50 years old! M. Pasvolsky states that the average life of a locomotive is 12-25 years; remember that six years of intense use, without adequate repair facilities, had passed from 1914 to 1920; and then consider whether Communist economics should be charged with the fact that out of 9,639 locomotives in Soviet Russia in January, 1920, only 3,925 were in running order!

It is the same if we take the agricultural situation, on which M. Pasvolsky rightly lays so much stress. "The food crisis began before the March revolution and continued through the first period of the revolution. . . . In the latter part of its regime, the Provisional Government introduced a grain monopoly, declared itself the only purchaser of grain and fixed the prices." This led to a further reduction in supplies coming to the towns before the November revolution; the grain from Tambov province, for example, fell to half the quantity obtained from there in 1916. It is interesting to note that the requisitioning of grain at fixed prices, perhaps the most unpopular measure of the Soviet Government, was taken over by it from the Provisional Government. This requisitioning at fixed prices, of course, is not Communist; the British and every other belligerent Government adopted similar measures; and M. Pasvolsky wastes a good deal of space on criticising it; but the essential point is that, before the Bolsheviks gained power, the old economic system was failing to deliver the goods.

In the production of coal and textiles the story is the same; and the reader wonders why M. Pasvolsky does not throughout show the whole process of declining production from at least 1915. Wherever he does give comparative figures, one gets the impression of a decline rapidly becoming more intense, and inevitably producing a first-rate economic crisis in 1917 and 1918.

What is the bearing of this on the Communist experiment in Russia and on the general theory of Communism? As for Russia, M. Pasvolsky sums up the situation in the antithesis "Communism or Production?" But even the facts he gives suggest that the alternatives with which the Russian economic system was faced in 1917 were really "Collapse or Communism?" Many hostile critics of the Soviet Government have already expressed this belief, admitting frankly that but for the November revolution and the Soviet Government there would have been years of complete chaos and anarchy in Russia. The breaking-down of the capitalist order in Russia occurred before the Communists seized power, and some other economic relations had to be set up. Admittedly, the Soviet Government made mistakes; and lines of policy, sound enough in themselves, were made futile by the continuance of an armed

struggle against the counter-revolution, and had to be withdrawn or modified. But all that the facts prove is that the measures taken by the Soviet Government were not adequate to revive, by 1920, an industrial system that was in the last stages of decay in 1917.

Turning to the bearing of all this on the general theory of Communism, we can see that, inevitably, if Communism can only step in when Capitalism is breaking down, the early stages of any "Communist experiment" must show a rapid decline in industrial production. The old social order, the old economic relationships, fail to function; the masses fail to get food; what M. Pasvolsky calls a "consumption psychology" takes the place of a "production psychology." Communism comes forward with new economic relationships, a new social order; but Communism cannot at once arrest the far-reaching results of the collapse of Capitalism. Nor, equally, can it apply Communist principles throughout every sphere of the economic system, for the reason that, by hook or by crook, things must be kept going. But, above all, it must keep control of the situation, for only a Communist Government realises that the continuance of the old order is impossible, and that the attempt to patch it up—in which, M. Pasvolsky admits, all non-Communist parties are united—will only lead to a more disastrous final collapse, with all its consequences in suffering for the people. E. B.

RUSSIAN RAMBLES

Soviet Russia as I Saw It (in 1920). By Sylvia Pankhurst. Workers' Dreadnought, 152, Fleet Street, E.C.4. 2s. 6d.

The New Policies of Soviet Russia. By N. Lenin, N. Bukharin, S. J. Rutgers. Charles H. Kerr and Company, Chicago.

IT was with some curiosity that one opened Miss Sylvia Pankhurst's impressions of her Russian visit. Apart from the peculiar historic interest in having a definite record of Miss Pankhurst's views at any time, one believed that her noted sympathies with Bolshevist policy and her considerable knowledge of the British Labour movement might result in a volume that would give a special viewpoint not to be obtained in the many previous treatments of the same subject. In certain respects one's hopes were justified. There is plenty of enthusiasm in Miss Pankhurst's reprinted articles (as they presumably are), and there are plenty of facts. Even if facts and enthusiasm are somewhat inextricably interwoven, this must be attributed to what is the main defect of the book, that the writer has clearly never really made up her mind whom she intended her readers to be. If she meant to write for those who were already conversant with and sympathetic towards the Soviet system and institutions, she would have cut out the fairly frequent patches of a somewhat dingy purple; if, on the other hand, the book was in-

tended for propaganda, a much more careful arrangement of the facts, and a much fuller explanation of the general methods of Soviet administration were called for. The man in the street has no realisation, for example, of the essential differences between the Soviet method of delegation and a system of Parliamentary representation. Miss Pankhurst, as might be anticipated, is at her clearest and most interesting on such matters as divorce, marriage laws, child welfare and infant education; her early experiences in the feminist movement having evidently acutened her instinct for outstanding and important features.

We have received from the United States of America a volume entitled "The New Policies of Soviet Russia," and described as published by Charles H. Kerr and Co., Co-operative, Chicago. This is a fascinating example of the different uses to which the same word is put in the United States and in this country. The first article in the book is the article by Lenin, of which a special version appeared in No. 1 of the LABOUR MONTHLY. The LABOUR MONTHLY version is reprinted verbatim, with the Americanisation of certain words like "Labor," but without the removal of a single word, and without the addition of the slightest acknowledgment of any kind. If it is to action of this kind that Mr. Kerr refers when he calls himself co-operative, I can only say that we should use a different word on this side of the Atlantic.

W. T.

PUBLICATIONS RECEIVED

Insurance Against Unemployment. By J. L. Cohen. P. S. King. 18s.
Debs: Authorised Life and Letters. By David Karsner. Boni and Liveright. $1.50c.
A B C of Communism. By N. Bukharin and E. Preobrajensky. Socialist Labour Press. 2s. 6d.
L'Application du Salaire Minimum pendant et depuis la Guerre. Par R. Broda. Bircher, Berne.
Agriculture and the Community. By J. F. Duncan. International Bookshops. 2s.
Whitehall. By C. D. Burns. H. Milford. 2s. 6d.
In Days to Come. By Walter Rathenau. Allen and Unwin. 12s. 6d.
The Menace of Money Power. By C. P. Isaac. Jonathan Cape. 8s. 6d.
Life and Labour in the Nineteenth Century. By C. R. Fay. Cambridge University Press. 20s.
Proletarian Dictatorship and Terrorism. By Karl Radek. Marxian Educational Society. 20c.
How We Came Out of the War. By I. C. Willis. International Bookshops. 2s.
The Revolution and Democracy. By F. C. Howe. C. W. Daniel. 7s. 6d.
The Great Steel Strike. By Wm. Z. Foster. C. W. Daniel. 7s. 6d.
Democracy and the Will to Power. By James W. Wood. A. A. Knopf. $2.

THE LABOUR MONTHLY

HAS NOW BEEN IN EXISTENCE FOR SIX MONTHS

ITS creation has been hailed as an event by the Labour Press all over the world. The Capitalist Press, from the *Times* to the *Daily Sketch*, has not disdained to be indebted to its pages.

Throughout the first six months of its existence it has combined full and first-hand records of the International Labour World, such as can nowhere else be obtained, with scholarly editing, authoritative comment, critical controversies of first-class importance in the British Labour Movement, and signed contributions by the best known authorities of the International Labour Movement.

Its contributors during this six months have included

Henri Barbusse	*N. Lenin*	*Bernard Shaw*
Max Beer	*Scott Nearing*	*L. Trotsky*
H. N. Brailsford	*M. Philips Price*	*Robert Williams*
G. D. H. Cole	*Karl Radek*	*Leonard Woolf*

Copies of the BOUND VOLUME for July to December, 1921, constituting a permanent record and storehouse of information of the International Labour World during this critical period of history, are now available, and can be supplied for 10s. 6d.

See inside cover for special binding terms and cost of cases.

December Vol. XIII. No. 12

PLEBS

A Journal of Independent Working-Class Education

Rosa Luxemburg's "Accumulation of Capital"
The *Plebs* Psychology Textbook
Workers' Education in America
Economics without Headaches
The *Plebs* Bookshelf
&c., &c.

32 pp. 6d. (post paid 7d.)
Six months' subscription 3s. 6d.

PLEBS, 11a Penywern Road, Earl's Court, London, S.W.5

Index, Volume I, July—December 1921

I. AUTHORS

II. SUBJECTS

Index, Volume I, July—December, 1921