

THE INTERNATIONAL SOCIALIST REVIEW

Vol. I

JULY, 1900

No. 1

PLUTOCRACY OR DEMOCRACY?

There are many reasons for believing that the supreme political struggle of the coming century will be between plutocracy and democracy. The question which will, I believe, transcend all others is the question which is involved in those two terms: Shall we have a plutocracy? or shall we have a democracy? Between those two we must choose, so far as choice has anything to do with the matter. And upon the issue of that struggle and that choice depend, as upon nothing else, the moral interests of mankind.

It seems to me to be a good thing to keep that fact and that issue clearly before our minds. Indeed, I can hardly conceive it possible that we shall not see it more clearly and feel its compulsion more deeply and vividly with every passing year from this time forward. We have had many political issues claiming the attention of the people within my own memory—issues growing out of the Civil War, issues relating to the tariff and the currency—issues which, if sifted to the bottom, have all had direct or indirect relation to our industrial system. I do not care to get into any controversy over any of these past or present political issues, for such a controversy does not appear worth while. But I venture the opinion that many of these political issues of the past and the present were and are entirely fictitious. They have been and are evasions of the one broad question which is slowly arising before men's minds for solution. That one broad and inclusive question seems to me to be the one which I propose for our discussion to-night. Let me put it this way: Is human government likely to continue plutocratic? or is it to become democratic?

Let me explain myself a little more clearly. In the first place, I am not sure we have it in our power to say, off hand, what sort of government we are to have. It will be clear to all who hear me, I think, that some forms of government are no longer possible, however much we might desire to reproduce them. I

cannot conceive of any combination of circumstances which will bring about an absolute monarchy in this country. The time is hardly likely to come when we shall set up in America an actual and avowed empire. Possibly we shall have for a time—perhaps for a long time—an empire in everything but the name. That may be the drift of things to-day. It may be a drift which nothing can stem. It may be our destiny, as some of our alleged statesmen are saying. But let us not deceive ourselves into thinking that the accident of war is responsible in any important sense for this drift. Let us understand clearly that if imperialism lies in store for this nation, the capture of Manila was in no sense the cause of that policy. The seed of imperialism is in that which has made it seem worth while to keep those islands.

But I do not believe we are going very far along the road toward empire. I believe that none of the forms of human government which have so far existed can reappear, for the simple reason that evolution and education render such a thing impossible. The blossom does not go back into the bud. The direction of evolution is from within outward. And while the life of the material world around us seems to go on in cycles, every twelve months repeating the same phenomena of seed-time and harvest, there is no good reason for believing that the evolution of the race proceeds in cycles. It may seem to return now and then upon its path, but such is not the case. Evolution may describe a spiral through the centuries; it does not describe a circle.

In other words, I think it would be fair to say that the particular form of government under which society finds itself at any given time is not the choice of the people of that time so much as it is the logical result of the conditions which exist or have prevailed. Will you not agree with me that probably no form of government was ever deliberately chosen, out of hand, by a people? I will not say that a form of government never will be consciously chosen by a people, but I think it is historically true that no form of government ever did result from deliberate choice.

Let us see whether that statement seems to agree with the facts. There have been many changes in the form of human government, but I cannot recall a single one which really marked a very wide departure from that which preceded. We have in the Bible, as you know, two accounts of the formation of the kingdom of Israel. According to one account, a kingdom arose by divine appointment—and was supposed to be a sort of miniature on the earth of the government which Jehovah was supposed to exercise in some other region. The king was the representative of Jehovah. According to the other account, the people of Israel selfishly wanted a king because other nations around them had

kings. They wanted to be in the fashion. Now, as a matter of fact, we know perfectly well that neither of these stories is true. They are both simply attempts made long afterward to account for the origin of the institution of the kingdom. One of them—that of the divine origin—was invented by some man who wished to defend the institution when there seemed a danger that it would be abolished. He appealed to the strongest motive men can feel, namely, their superstitions. He declared that it was a divinely appointed affair, and to abolish it or change it would therefore be sacrilege. The other man, speaking from the point of view of one who found the kingdom corrupt and evil, the bulwark of all sorts of injustice, sought to weaken its hold on the minds of the people by declaring that it was a mistake to begin with, that the very establishment of such an institution was an act of direct disobedience to Jehovah, that it arose out of the sinful wish to usurp an authority which belonged alone to God.

Whatever you may think about this interpretation of those old stories, I am sure you will agree with me that the kingdom in Israel grew out of the natural circumstances of the time and age. Any one who is acquainted with the book of Judges knows that Israel had a king long before the time of Saul or Samuel. A kingdom was purely the product of the age. It was an evolution from a more primitive tribal government, made necessary by the warlike character of that time.

That same principle will apply to every government that has existed and to every government that will exist. The great empires of which we read in ancient history—the empires of the Persians, the Egyptians, the Greeks, and the Romans—were all the perfectly natural product of the age. The greatest military leader became the emperor, the ruler. In an age when ignorance was the lot of the multitude, when the vast majority were slaves, and when war for conquest was the normal state of things, an empire was the only possible form of human government. Given those circumstances, and the same thing would take place again. The career of Napoleon illustrates the point. That he should have achieved the ascendancy over the French nation which he did, was largely due to the prevalence of ignorance and superstition in that country. That his career came so quickly to an end was due simply to the fact that some things were wanting in the equation which had been present in the time of Alexander and Caesar. It is unthinkable that another Napoleon is a possibility on this earth. We have seen within the past six months how fleeting a thing military popularity is. Half the newspapers of the country were urging Admiral Dewey's name for the presidency, and it was thought that with him as a standard bearer any party could sweep the country. To-day his name is not mentioned even for the presidency of a debating club, and nothing

would be more certain than the utter defeat of any ticket having his name at the head.

Governments are the product of existing or pre-existing conditions. They are not the result of deliberate choice. You cannot think of a democracy as possible in ancient Israel, or Greece, or Rome, or Egypt, or Babylon. And yet thinkers were not wanting in Greece and Rome who could conceive of such a thing as democracy. Plato dreamed of a republic. Aristotle shows a knowledge of the fundamental principle of democracy. But no such sort of government was possible of realization in their day.

One hundred and twenty-four years ago the Declaration of Independence was given to the world, and not long afterward a government was launched on these shores. But any one who has taken the trouble to think about the matter knows that scarcely any approach was made, in fact, toward a democracy. The status of a citizen in the thirteen colonies after the signing of that declaration, or even after the adoption of the constitution, was not materially different from what it was before. In 1775 they were all subjects of the British crown. In 1776 they had declared themselves independent of that authority. A few years later they were citizens of the United States of America. Had there been any great change in government? No. Suffrage was more general, perhaps, than it had been before. But to all intents and purposes the status of citizenship was unchanged. The people of that day could not have established a really revolutionary government, if they had wanted to. And the majority of them had no desire for such a thing. They could not have inaugurated a democracy. They could not have told what a democracy is—with the exception of Jefferson and a few others. Had they all been as intelligent as the writer of the Declaration, it would have made no difference. A whole nation of Thomas Jeffersons could not have inaugurated democracy at that time. The Declaration of Independence was a noble document, the greatest ever penned under such circumstances. But its ideals were as far from the intentions of the framers of this government as were those of Plato's "Republic" or Bellamy's "Equality." This government was not even avowedly based upon that Declaration. It was framed after the pattern of the English constitution. Englishmen framed it, and they framed exactly such a government as the Englishmen of that day might be expected to frame. But it made little difference what they wrote in the constitution. That did not determine and does not now the character of this government. Is it not true that the lawyers who constitute the Supreme Court of the United States are prepared to declare anything constitutional which the policy of the president calls for? If this nation should care to assume all the forms and adopt all the policies of an empire, eminent lawyers would

be found to declare that such a course was intended by the framers of the constitution. It would be defended and justified on constitutional grounds. There is no conceivable course having the prospect of profit in it which lawyers cannot be found to advocate.

The truth of the matter is, neither constitutions nor congresses nor Supreme Courts have anything to do in determining the nature of the government. That matter is decided in a totally different way. We are living today as really under a plutocratic form of government, as if our constitution expressly so declared. Indeed, there is far more in the constitution to justify a plutocracy than there is to justify democracy. The government of the United States is plutocratic and has been so from its inception. What is plutocracy? It is government of, for, and by the interests of private property. In other words, it is a government which has its actual source in wealth, is determined in all its policies by the demands of wealth, and knows no other end than to serve the interests of private profit. A democracy would be a government having its origin in the whole people, determined in all its policies by them acting with freedom and intelligence, and having for its purpose the highest welfare of all the people. It is a confusion of language to call the existing government in this country a democracy, or even to say that a democracy is possible under the present social and industrial system. We are discovering—or we ought to be—that government is determined absolutely and wholly by economic conditions. I venture to express the opinion that no more enlightening idea can gain access to the minds of American citizens than that idea. I wish I could impress upon the mind of every intelligent citizen of this country the idea that human government is determined solely by economic conditions, and that therefore the only possibility of securing a change in the form of any government is by securing a change in the economic system. You will bear me witness, I am sure, that the drift of thought in this country is in that direction. More and more are we coming to see that the only issues which are worth considering in our political action are economic in their nature. For only as we change the economic system can we effect any change in government.

Let it be freely admitted that the ideal of democracy has some hold of the popular mind in this country. It has found some expression in the Declaration of Independence. But I venture the opinion that it was but vaguely seen by even the framers of that immortal document and is but vaguely seen by men today. We have yet to adequately conceive democracy. We have yet to get that idea clearly and firmly in our minds.

In order that I may the better convey to your minds what is in my own, let me suggest three or four questions. You will

want to know what the writer means by saying that the present government is a plutocracy. Then we shall want to know whether there are good reasons for desiring a change in the form of our government. We shall want to know what the change from plutocracy to democracy would mean. And, finally, if such a change commends itself to our judgment, we shall want to consider whether it is possible and how we may co-operate in bringing it about.

First of all, what do I mean by saying that the government of the United States is a plutocracy? I mean that the interests of private property in the products of social effort are the supreme concern of government, that for which it exists. I affirm that all the institutions of government, all its departments and policies, are determined in the last analysis by commercial considerations. You will understand, I hope, that when I say that, I am making no criticism on any man or set of men. I am simply trying to state the facts. If I am wrong, I shall hope to be set right. I mean to say that every official of the government is elected by capitalistic interests and for the purpose of serving such interests. The Supreme Court of the United States has for its highest function, practically its sole function, the defense, protection, and maintenance of the institution of private property. The Senate, as we all know, has become a millionaires' club and little else. That is only a symptom of the disease. That fact respecting the Senate is simply indicative of what is universally true. Wealth is the dominating concern, the supreme power, and therefore we should expect that the Congress of the United States would be officered by men representing wealth. We are not disappointed in this expectation. We have representative government, it is true. But it is representative of dollars rather than men. We know perfectly well that no legislation can possibly pass either house or gain the executive approval unless it is plainly intended to serve the interests of wealth. The President is chosen by the influence of money, and he is nothing more—can be nothing more—than the agent of the interests of capital. You do not need to have me tell you that the United States treasury is at the disposal of corporate wealth. I do not think any one would deny it. The whole banking system, the system of currency and the financial policy of the government in the past and in the present, no matter which party holds the offices, are the creation and expression of plutocracy.

The same principle will be found to hold true through the whole list of national and social institutions. Wealth has built all our churches and controls them. It has erected our school edifices and determines what shall be taught in them. It is the one power that holds the world in its hand. If you can think of any political policy that has been seriously broached by public

men which does not express the will of money interests, you can do better than I. Much has been said in criticism of Senator Beveridge for his frank speech in the Senate relative to the Philippines. No criticism is justifiable. Indeed, he is the bravest and frankest of the lot. No other member of the upper house stands so squarely upon the fundamental principles of our government as he does. What are the vast armies and navies of the present day? Nothing but police for the protection of the interests of wealth. What are our laws? Nothing but the provisions which plutocracy makes for its own preservation.

Let me make myself perfectly clear. I want you to understand exactly what I mean, because it is of the first importance that we grasp this fundamental truth. Government, let us understand, is not determined by deliberate choice. Its form is not decided in legislative halls—never has been. It is decided rather by the market. It is decided by commercial and industrial interests. Plutocracy is not a national affair. It is international. It is rapidly becoming the government of the world. It is that now, so far as the dominant power is concerned. The interests of wealth decide the final policies of all civilized nations. Of course, there are nations, like Russia and China and Turkey, which have not yet fully emerged from barbarism, and these nations are not so completely plutocratic as Great Britain and the United States. But today it is clear and tomorrow it will be clearer that the real government in the British Empire and in the so-called American Republic is one and the same thing, necessarily so. No bond can unite two nations so powerfully and closely as the interests of wealth. We may cherish the notion that sentiment is the controlling force, but we shall cherish a delusion. No interests of any sort ever successfully compete with the interests of capitalism.

Let us now consider the question whether or not a plutocracy is the most desirable form of government. The question may best be considered in a two-fold form. 1st. Has plutocracy performed a great service to the world? 2nd. Is there good reason for believing that it can no longer serve the best interests of the race? We shall not hesitate to answer the first of these questions in the affirmative. Plutocracy is a part of human evolution and as such it must have served a useful purpose. No form of government ever existed which did not serve a useful purpose. I think we shall be able to see how great a debt we owe to plutocracy. The human race has come a long way from the dawn of creation. If we could see all the path it has followed, we should see many things which would shock our sensibilities, but they were all necessary and, measured by what they achieved in human development, they were good. The physical development of man is the sole product of ages of bloody struggle. The

path of the race in its animal evolution has been a path of blood. We have been for ages a race of fratricides, and we are by no means yet out of the woods. Our old habits still cling to us. The taste for blood, the passion to mangle and mutilate and kill, is still in our veins. And we manage to keep up the reputation of the family pretty well. But it has all been necessary to the development of the physical organism. While we were animals we had to act out the animal nature. Nothing else was possible for us. We were not responsive to anything higher than the lusts and passions of the animal.

It is by no means certain that we have arrived at the human stage even yet. As a matter of fact, no other impulses or incentives have been very powerful in shaping our action, than the purely animal one of gain. We point to the fact that religion has existed for all these long centuries, but we are obliged to note the further fact that religion has been utterly impotent even to modify the direction of our social and political life.

And when you think of the marvellous material results of the plutocratic principle, which has had sway for more than a century, you cannot question its utility. I think we must admit that under the circumstances no other power could have accomplished the material transformation that has taken place. And when we reflect upon the further fact that plutocracy has so swiftly prepared the way for some sort of universal government, we must recognize its inestimable service.

But the real question is whether plutocracy has not fulfilled its function, whether it does not stand now in the way of those further steps in human progress which seem to be necessary. The time often arrives in the evolution of the race when a principle or a force which has been in operation in a previous stage becomes unnecessary. Evolution is marked by the constant leaving behind of some things which once were useful. Many physical attributes which were of value to man, say twenty-five or fifty thousands years ago, have ceased to exist. The physical appearance of the human race to-day differs widely from that which prevailed in that far distant past. With the dawn of mind and its wonderful development has resulted all that to-day distinguishes the man from his animal companions. The emergence of reason ushered the animal man into a totally new era of existence and brought into play a new set of faculties. His life thenceforward became as different from what it was before as day is unlike night. From that moment the normal development of the physical nature really ceased, and the man of to-day has not a tithe of the physical might which the man of fifty thousand years ago possessed. So when the human race shall have entered into the new era of ethical consciousness, it must be evident that some of the forces potent before will cease to operate. It is my conviction that we have

entered or are entering upon a stage of the intellectual progress of the race and are just on the threshold of an era of ethical consciousness which make desirable and necessary the cessation of some of the processes which have been operative hitherto. Are we not beginning to feel that plutocracy is getting in the way of that progress which seems now to be due? It was doubtless necessary that the animal man should be physically powerful—fleet of foot, strong of arm and jaw, clear and sure of vision—in order to hold his own and survive in the animal struggle for existence. With the dawn of mind these qualities of physical strength became unnecessary. Cunning, strategy, invention took their place. Besides, the physical man had practically reached perfection. It is impossible to suggest any improvements in the physical organism of man. It was likewise necessary that the dawning mind should be stimulated to its greatest possible growth, as mind.

In like manner, it was necessary for the preparation of the earth for man's higher uses that the struggle for material gain should take place. But are we sure that this fierce struggle is any longer necessary? Does it not seem as if something were likely to take its place? Are there not interests at stake which imperatively demand the operation of a totally different set of impulses? I find myself obliged to answer these questions in the affirmative. While plutocracy has been potent in the development of the resources of the earth and in sharpening the human mind in certain directions, it is evident that many lines of human development are impossible under a plutocratic regime. I think we are all agreed that scientific progress is a good thing. We believe that the pursuit of the truth respecting the world we live in is a very important factor in civilization. We shall agree that whatever impedes or hampers the freest possible investigation of any and all subjects of thought is hostile to the best interests of the race. We shall also agree that we can discover the truth only as we are perfectly free to investigate and to publish the results of our investigation. Freedom of thinking and freedom of speaking are fundamental to the higher progress of man.

Right here is the severest indictment of plutocracy as a system of government. It is even now doing all in its power to discourage the pursuit of truth, and to stifle freedom of thought and speech. Do you doubt my word? Consider, then, the fact that men are being dismissed from colleges and universities on every side on the ground that their teachings are offensive to the men whose wealth has built and endowed these institutions. It is a well-understood principle in our universities that the economic teaching shall be in harmony with the interests of capitalism. Our faculties are in the absolute power of plutocracy. These institutions cannot exist except by the will of plutocrats. Their sup-

port comes entirely from that source. They surely cannot be expected to cut themselves off from their own base of supply. I submit that there may be important principles underlying society which it is of the gravest consequence that men shall know. But so long as the study of economic science is not perfectly free, so long as a man endangers his livelihood by undertaking such study, the system responsible for such a state of affairs is subversive of man's rights. How is it with the churches? You do not need to have me tell you that the man who dares to speak fearlessly and openly the truth as he sees it will soon find himself without support. So long as a religious teacher keeps well within the limits of a prescribed creed, he will not be disturbed, for no religious creed was ever written or adopted which antagonized the interests of plutocracy. And you may be sure that none will be by any denomination in Christendom. How is it with the legal profession? An old lawyer living in New Bedford, Mass., a graduate of Yale University and widely acquainted in this country, told me last summer that if you want to know the politics of the majority of the lawyers in any city or town, you have simply to find out the politics of the wealthiest men or corporations in that city or town. In other words, the whole duty of a lawyer is simply to interpret the law agreeably with the interests of plutocracy. A lawyer who declined to do that could not make a living.

Now, it must be clear to you that such a state of things is prejudicial to, indeed prohibitive of the moral and ethical progress of mankind. Suppose a professor of geology were to write a book and announce on its first page that he had undertaken an investigation of the story of the earth's buried life with the distinct purpose of making all the facts fit into the theory of a miraculous creation six thousand years ago. How many people would read any farther than that announcement? Of how much use would that kind of investigation be to human knowledge? Suppose that every teacher of political economy were honest and should declare to his pupils: "The things which I propose to teach in my department are such as meet the cordial approval of the men who established and are supporting this institution." How long would such a man find people foolish enough to attend his lectures? Suppose every minister were equally honest and were to announce at the beginning of every sermon: "I have written this sermon with the distinct idea of not offending or alienating the men whose money is necessary to the maintenance of this church." How long would anybody attend such a church?

The truth is, plutocracy is making us a race of cowards and hypocrites and liars. I do not say that every teacher consciously caters to wealth. I do not say that all preachers shape their teaching with a view to retaining the financial support of the

rich. But I do say that freedom of thinking and speaking is impossible for any man who repudiates orthodoxy either in social science or religion and holds himself true to the new facts, and truths which are becoming visible, except at the loss of a living. That is not a personal charge. It is simply a statement of fact. And without censuring any individual, I submit that a condition of things under which that is true is insufferable. I submit that the power to regulate or determine what men shall think or say, whether in the class room or the pulpit or the platform, is a power which cannot be entrusted to any group of men. It is an indication that the human race has arrived at a new stage of its evolution and that the dominant forces of the past must be dispensed with; for the future unfolding demands the operation of other forces and the dominance of other principles.

Whatever stands in the way of the natural evolution of the race will be swept away. There can be no doubt about that. The outgrown garment is laid aside. The human body at maturity cannot be confined within the same clothing which answered for its infancy. The same is true of the race. It is all the while growing toward its maturity, and it becomes necessary at various stages to lay aside some things which answered a useful purpose at an earlier period.

I have intimated that we seem to be just now on the threshold of an era to be marked by growing ethical consciousness on the part of humanity. I say "on the threshold" of such an era, because an impartial study of history must reveal the fact that ethics has had little to do hitherto with the life of man on the earth. Ethics finds no place and never has found place in the industrial or political life of the world. That has been and is today distinctly unethical. Probably a few cases can be cited in political life where ethics seems to be a factor, but such cases are rare and inconclusive. One would suppose that if ethics found expression anywhere, it would be in religion. What are the facts? I freely admit that ethical consciousness has frequently appeared in individuals, as was true of the Hebrew prophets, of Jesus, of Buddha, and of other religious leaders. But I can think of no formulated religion which makes room for one single ethical element. The religion of the Hebrews was distinctly unethical, so far as their conceptions of Jehovah were concerned. The religious institution does not credit the Supreme Being with one ethical attribute. He was the Omniscient and the Omnipotent—never the Self-forgetting One. Ethical ideals constitute the richest part of the teaching of Jesus, but if we have a correct report of his words, he certainly cherished conceptions of God which are unethical. He seems to imply that God is governed only by his own will, that he can do as he chooses and no one has a right to call in question the right of it. But whatever is true of the

teachings of Jesus, I defy any one to put his finger upon an ethical element in the theology of Christendom. It is a scheme based upon an unthinkable philosophy which admits of no ethical principles.

And yet, in the course of our evolution, it seems to me that the human race is already in the dawning twilight of an ethical age. Never before has the word "brotherhood" taken such a powerful hold on men's minds as now. The world-wide social movement of our time is a fraternal movement. Men speaking different languages and dwelling at antipodes are calling one another "comrade." The best religious life of the world is feeling the imperative necessity of brotherhood. And yet plutocracy stands squarely across the path to brotherhood. It sets men over against each other in battle array. It creates a line of social cleavage, with a master class on one side and a slave class on the other. No man can live under the plutocratic regime without violating brotherhood every day he lives. He cannot attempt to make the most of his life without making himself the enemy of his fellows. He cannot fulfill his natural ambition except at the cost of other men's lives. He cannot rise in the world except by standing upon a wriggling pyramid of human bodies. Plutocracy ordains that our life shall be one long prostitution. It places the weak at the mercy of the strong. It requires a deference to certain types of men which is in itself degrading and corrupting. It places power in the hands of those least fitted to wield it. It crowns Judas and crucifies Jesus. It puts a premium upon falsehood and makes hypocrisy the price of success. It legalizes robbery, justifies murder, and is the prolific mother of crime. Indeed, it is a conspiracy against all moral and intellectual progress. For these and for other reasons, it seems to me that a change in our system of government is not only desirable, but inevitable.

Now, what would the change from plutocracy to democracy mean? And how, if at all, may it be brought about? If there is any truth in what I have been saying up to this point, this ought to be the uppermost question in the minds of our people in all their political and social action. No political leader is trustworthy who does not betray a firm grasp on this question. Here is the political problem of the twentieth century, a problem which that century must bring to solution. I believe we shall realize democracy in the twentieth century. I do not say that democracy is final. Indeed, I am confident that it is not. But I feel sure that it is the next step. We have passed through several forms of government. First, there was no government—anarchy. Then came various forms of monarchy—the rule of one. Then came oligarchy—the rule of a few. And then, with the commercial and industrial age, came plutocracy, which flourishes to-day—the rule of the dollar. The next step must be democracy—the rule

of the people conscious of themselves and of their higher right and destiny. But beyond democracy lies autarchy—the self-government of each individual—the absence of formal government—the era of absolute freedom—the dream of the individualist. That time lies very far away in the future, a long way farther than many seem to think. For it is simply unthinkable until after a long period of democracy shall have fitted the race to do without formal government. It is the fatal weakness of all individualists that they seem to want to avoid democracy. They want to jump clear across the gap which that form of government is meant to fill. Indeed, there are several classes of individualists, and they are all a unit in not wanting to give democracy a chance. They say: "We shall lose our freedom if you inaugurate a government in which all the people have to be considered." Individualists have no faith in the people. Moreover, they fail to take into account the fact that the only chance people have of becoming fit for ideal self-government is by the experience of democracy. That a democratic government would make mistakes is doubtless true, but the mistakes of democracy are of more value than the successes of plutocracy. And there is no sign of fitness for the era of individualism unless and until there is manifest a determination to secure for the whole people by united collective action the rights and privileges of the weakest and lowest. The very desire for an individualistic regime at once is in itself evidence of the absence of fitness for such a regime.

Now, the change from plutocratic to democratic government will mean, in my judgment, a complete and radical revolution. I can conceive of no change more radical than that would be. Plutocracy and democracy can no more mix than oil and water. They have nothing in common. The complete triumph of plutocracy would mean the obliteration of democracy, and vice versa. The change to democracy involves the greatest moral and ethical change that is conceivable. Under a democracy the interests of wealth cannot be considered. The pursuit of profit, which is the very soul of our present system, will not exist—cannot exist in a democracy. Under the latter the interests of men will be supreme. Under the former the interests of the dollar everywhere and always outweigh those of the man. Under a democracy everything would be changed. Strikingly true would that be in the sphere of education. Plutocracy has ordained that education shall proceed from the motive of fitting the individual to gain a living, to accumulate and manage private property. Practically everything is made to bend to that purpose. By common consent, reading, writing and arithmetic are now regarded as the fundamentals of an education. To be sure, we are trying to break away from that idea, but we do not succeed, and we can never hope to succeed so long as we maintain a system of things under

which obviously those three subjects are of greatest importance. At present these are indispensable to the pursuit of private wealth. No man can hope to succeed in the commercial world—in a plutocracy—unless he can count money, compute interest, reckon profit and loss, read the market quotations, and write his name on checks and other commercial documents. Under a democracy for the first time in human history education will be free to follow the natural lines which the real needs of men would dictate. The man will be the chief concern, and therefore he will not be a money counter nor a money getter. That will no longer be an aim of life. It will be possible then for men to live a true and ennobling life. Those words of the immortal declaration will then have some meaning: "All men are created free and equal and have certain inalienable rights, among which are life, liberty and the pursuit of happiness." Neither life, nor liberty, nor the pursuit of happiness has any real meaning under a plutocratic government.

I fancy the objection will be raised that in a democracy you may have any sort of conditions that the people by majority vote shall prescribe. If it is the will of the people that the present system of education continue, such will be the law. If it is their will to perpetuate the present industrial system, that system will go on. There may be people who are still laboring under the delusion that we have democracy to-day. In answer to these and other objections I would simply say that democracy can be inaugurated only by a revolution in the character of our economic system. No body of people anywhere can introduce democracy by passing a resolution to that effect. A democracy is the joint product of economic and political evolution. Political action cannot produce democracy until the industrial evolution is finished. And the transition cannot finally be made except by the utter destruction of the profit system. Democracy is a matter of education. No people is capable of ushering it in until the necessary process of enlightenment has been undergone. Democracy and special privilege, or, in other words, the profit system cannot co-exist, no matter what a nation's action might be. They are mutually exclusive. So long as it is possible for one man to exploit his fellows, exploitation will go on. Environment is the one factor which men have the power to determine. With the dawn of reason, man began the process of changing his environment. The possession of that power has been one of the important and determining factors in his career. A vegetable has no power to change its environment, and so no great change in a vegetable is possible—no change at all except by the aid of man. Animals have some power to change their environment, and therefore greater changes in their structure and development have been possible. Man alone has practically unlimited power to change

his environment, especially the collective man. To-day he is beginning to see that he has the power to change his social and political environment. That was the one thing which the thirteen colonies accomplished. They did not establish democracy, but they put themselves within a somewhat different environment from what they had known before. It is impossible to estimate the value of that act. And yet we ought not to lose sight of the fact that other forces were potent in it. In England it would have been impossible. So would it have been anywhere in Europe. It would have been impossible a hundred years earlier even on this continent. But the time was ripe for it then, and its influence upon the past century has been great. Then we were caught in the sweep of the great industrial era and carried along into the plutocratic state. But the power has been developing which will enable us soon to determine our industrial and social environment. How are we to take that step? It is here that we differ among ourselves. Some men believe that we shall do so by trying to get the single tax adopted as the law of the land. Plausible arguments are advanced in support of that belief. The one supreme defect in that program, to my mind, is that it does not belong in the line of economic evolution. It does not seem to me to be adequate to the situation. I cannot devote sufficient time to stating all the difficulties which that scheme suggests to me, but I am thoroughly convinced that it is not the road that humanity will take out of the present iniquitous system. I can understand perfectly well that the land is the source of all the material out of which our industrial life is fed and sustained. I can understand how, if the land could become the possession of the nation, monopoly would cease. I can see all that. But I think I can see a lot more. I cannot agree with my single tax friends that what we most need is the abolition of all monopoly. I do not believe we are ready or shall be ready for a long time for the individual freedom for which we all hope. I believe that this proposition, when it is sifted down to the bottom, will be seen to be anti-social. That is to say, it fails to take note of the fact that humanity is the unit. The individual is not the unit. I insist that it is the task of society to fit large portions of its membership to survive. I insist that there is no social or political salvation for the individual unless the salvation of the mass is secured. I believe that the whole evolution of the race points to that as the legitimate end to be aimed at. We are brothers. We are not strangers, and we cannot be, however much we may wish to be. We cannot go apart by ourselves and erect our little personal paradise. Whatever paradise is possible for any soul lies in the establishment of a paradise for the whole family.

There are other people who think we are to accomplish the transition to democracy by transforming the democratic party. I

am free to say that if that party could be transformed and saturated with the social spirit, could become conscious of the end to be achieved, that surely would prove the wisest step to take. The important thing to be kept in view, it seems to me, is that nothing can make this transition save that which shall completely change the economic system. We cannot have democracy so long as we retain any vestige of plutocracy. For myself, I believe there must be united political action. Plutocracy, though the very opposite of democracy, has served a useful purpose in preparing the way. It has wiped out national lines. It has become international. Democracy must also be international. We cannot have democracy in spots. It must be the dominant system of the world. And it can become so only as it rests upon an economic basis which knows no national lines. When you deal with economics you touch the universal life, you come face to face with universal interests. The industrial evolution has been as wide as civilization. In the path of that evolution lies democracy, and nowhere else. And therein lies the wisdom and strength of the Socialist movement. It is the only political movement to-day that is international, the only one that binds together into one the people of every race and clime for industrial and political emancipation. Is it not a fact that the only political party in Europe that aims at democracy is the Social Democratic Party? the party of Socialism? Nay, is there any other party in any country on the face of the earth which either believes in or is actually working for democracy? If there is, I have never heard of it. It is the only movement I know anything about which really believes in democracy, which has any real faith in the people, which combines sense and sympathy in such proportions as to be effective to that end. I cannot therefore resist the conviction that only through a Socialist political movement in this country, co-operant with the world-wide movement, can we hope to gain the ends of our desire and solve the problem of the twentieth century. Our choice must be between plutocracy and socialism.

William T. Brown.

ENGLAND AND INTERNATIONAL SOCIALISM.

Social Democrats of all countries will gladly welcome the establishment in the United States of an International Socialist Review specially designed to keep up an intellectual intercourse between the revolutionary Socialists of the new world and the old. I say "revolutionary Socialists" deliberately, because, although I understand the new periodical is to open its pages to all schools of Socialist thought, it is quite certain that they, in America as elsewhere, must eventually control the whole. The hatred and fear of the word revolution is always to me the evidence of a weak mind. Evolution in all departments of nature inevitably leads to revolution—often in a cataclysmal shape—and revolution does but confirm and realize the results of evolution. Whether this fresh period of growth, and of renewed evolution in its turn, is attained peaceably or forcibly at the last matters no doubt a good deal to the men of the time when the revolution occurs; but it concerns future generations very little indeed; and "the sanctity of human life," about which so much nonsense is talked by bourgeois sentimentalists, counts for nothing to those who recognize that the faculties and lives of millions of human beings are being relentlessly crushed out under the capitalist system of our day. For myself, then, I am a revolutionary Social-Democrat and I write as such to the International Socialist Review. Nothing short of the complete control of all the ever-increasing powers of man over nature by the whole people in co-operative accord, bound together by common consent in national and international solidarity, can finally relieve humanity from the last and in some ways the worst form of slavery. The wage-system is doomed as chattel slavery and serfdom were doomed. The capitalist class which, with its hangers-on, deems itself to be everything today, will be absorbed in the collective organization of fully-developed and highly educated democracy tomorrow. Nowhere is this more apparent than in the great Republic of the United States. Your Rockefellers and Vanderbilts, and Pierpont Morgans, who imagine themselves to be men of genius and financiers of wisdom, are nothing more than the commonplace and rather unseemly tools which the unconscious social development of mankind is using in order to prepare through their trusts and combines and monopolies the glorious co-operative commonwealth for which we as Socialists are consciously making ready. In this new stage of development America manifestly leads the world. It is high time that the

workers of the United States should understand the tremendous responsibility which thus lies upon their shoulders.

Standing as we do between two great centuries in the history of the race, the century of capitalism and the century of socialism, —the day before us and the night behind—it is essential that Social-Democrats in their respective countries should keep one another thoroughly well informed as to the progress of the cause. Sooner or later we must all act together if we are to take full advantage of the developments going on around us in order to avoid the dangers that might follow upon a general attempt at reconstruction without sufficient knowledge and full international agreement. So closely bound together are modern industrial communities that what seriously affects one cannot fail to influence the others—as international crises have shown us time after time. In the same way, therefore, that it is of the greatest importance to English Social-Democrats to know so far as it can be known, the truth about the industrial and social development of the United States, it is of no less significance to Americans to have correct information in regard to what is occurring here. Attempts to make out that either society is more advanced towards the next great stage in human evolution than it really is can only do harm and tend to arrest intelligent progress.

Now there has been a tendency of late for Americans who have come to England in order to study our social and economic conditions to exaggerate absurdly the work which has been done and to advance the point at which we have arrived. This arises from the fact that most of the visitors from the other side of the Atlantic have been “put through,” to use an Americanism, by the Fabian Society. That collection of middle-class gentlemen and ladies has learnt that self-advertisement is far more useful than first-rate ability under existing conditions and they lose no opportunity of endeavoring to prove to visitors to our shores that they are controlling the issues in this England of ours with great capacity to nice bourgeois-Socialist ends. They are great on gas and water. Tramways and model lodging-houses move their very souls. The trade union and the co-operative store awaken their intelligence to a sempiternal contemplation of economic harmonies. The etherealization of the town council and the apotheosis of the municipality constitute their highest conception of the Socialist state. If Bastiat could be resuscitated in a municipal waistcoat and Schulze-Delitzsch could revisit the glimpses of the moon girt with a lord mayor’s chain of office, you would have at once two of the ablest and most influential members of the Fabian Society. Now so long as these worthies kept their half-baked rubbish for home consumption no great harm was done, but when it is exported to America as genuine then some mischief follows. If a few eccentrics choose to make twelve o’clock at eleven the only

result is they get their midday meal half cooked; but there is no reason that I know of why they should be allowed to palm off this patent formula for procuring indigestion on credulous Americans. It is usually taken for granted that there is quite enough home-grown dyspepsia in the United States.

Now the truth is that in spite of the influence of collectivism on Municipal Councils, School Boards, County and District Councils and Poor Law Guardians, which after all is mainly due to the work of Social Democrats, the condition of the mass of the people is in many respects very bad. In fact, it is doubtful whether in the great cities of any other civilized country the bulk of the population is so wretchedly housed and the children of the poor so shamefully neglected as they are in the great cities of Great Britain. Glasgow, Manchester, Liverpool, Leeds, Birmingham, Bradford, etc., are in these respects little, if at all, better than the metropolis. What is more, no great improvement can be made until the whole problem is dealt with from the national point of view by the agency of a really democratic State or rather Commonwealth. And of any attempt being seriously made in this way, there is at present no sign whatever. In like manner the question of the unemployed is persistently pushed aside to a more convenient season, so that when a period of depression comes there is no effective machinery whatever for dealing with the mass of workers who are thrown into hopeless poverty by no fault whatever of their own. Owing to these and other causes vast sections of our city inhabitants are undergoing steady physical deterioration; to such an extent, indeed, is this the case that it is not too much to say that the majority of the adult males are unfit for military service. In some of the districts of the North, where volunteering and recruiting have been going on during this shameful war in South Africa, as many as seventy-five per cent of those coming forward have been rejected as physically incapable. When to all this we add the testimony of the certifying surgeons in our manufacturing centres that the children exhibit less and less vigor and we know from middle-class statistics that a very large proportion of those who attend the Board Schools are insufficiently fed, it is scarcely necessary to cite further evidence in order to prove that mere municipalism and localism, however useful in some directions, has wholly failed to solve the pressing social problems of our modern capitalist. In Roubaix, Lille, and other French towns where the citizens have much greater power and use it with far greater effect than in any of our English cities, our French comrades of the Parti Ouvrier are under no delusions whatever as to the capacity and the limitations of mere municipalism.

Let it rather be frankly admitted that, notwithstanding the assiduous propaganda of the Social-Democratic Federation for the

past twenty years and of other Socialist organizations more recently, England lags behind the rest of Europe in acceptance of Socialist doctrines as well as in some respects even in the practical application of Socialistic palliatives. That said we may reasonably look into the causes which head back progress in this densely-peopled and capitalist-dominated island. I can do no more in this article than give a summary of the conditions which, in my opinion, tell against the spread of Socialism in Great Britain and account for the backwardness of our party here.

1. The ignorance and almost worse than the ignorance, the belated instruction of the mass of the people. They are not trained, either mentally or physically, in any systematic way. Consequently, their habitual reading is of the most snippety character and largely made up of silly little stories.

2. The low standard of life of a large proportion of the working classes. Bad air, bad food, bad clothes, bad surroundings enfeeble intelligence and destroy initiative.

3. Fairly good wages and better conditions of life for the higher grade of artisans, thus separating them from their fellows living on a lower plane and rendering class combination difficult.

4. The Trade Unions tend in the same direction, being in England almost exclusively an aristocracy of labor. The Amalgamated Society of Engineers does not allow engineers' laborers who attend upon the skilled men to join the Society on any consideration I believe.

5. The heavy emigration and colonization of the past half-century have taken off, as they did in the case of Spain, the most adventurous and determined of the workers, leaving only the less energetic behind to propagate the race.

6. The complementary side to this: the return of wealthy men who have made their fortunes over sea to settle in England, and especially in London.

7. These millionaires are all conservative in the widest sense, and they use their wealth and influence, naturally enough, against Social-Democracy.

8. The growth of the huge parasitic class of children of the people, domestic servants, purveyors of luxuries, semi-artists and the like who, being dependent on their rich employers, adopt their opinions.

9. The pauper class of our great cities already referred to, called by the Germans "lumpen-proleteriat," which is frankly reactionary. During the outburst of piratical jingoism from which we have been suffering, the poorest quarters were most beflagged.

10. Liberty. Everybody is personally free. The police are

very fairly impartial to protect all sorts and conditions of men and women indifferently. What more do you want than freedom to struggle and starve?

11. Patriotism. We have had about a thousand years of successful manslaughter and piracy continuously, conquering all but men of our own race. "Rule Britannia," "God Save the Queen," "There's a Land that Bears a Well-known Name," etc., etc. All this balderdash is absorbed and given out in large doses especially among the poor and ignorant.

12. Religion. The Church has still an excellent innings and uses the great Catholic cathedrals, which it has "conveyed," wholly in the interests of the possessing classes. What the Anglicans fail to accomplish in this direction the non-conformists fully achieve. The God of England is always the God of the rich.

13. Charity. This covers and is intended to cover a multitude of sins. It is twice cursed. It curses him who gives and him who takes. But helps to maintain class domination comfortably.

14. Absence of conscription. The freedom from this blood-tax, though beneficial from many points of view, helps to keep the people contented.

15. The national instinct for compromise due to our long parliamentary and constitutional history.

16. Our antiquated political arrangements. Our political forms are at least a hundred years behind our economic development. We have neither universal suffrage, one man one vote, second ballot, payment of election expenses and of members, nor any other complete democratic method of election.

17. Our wealthy political men deliberately debauch the poorer voters in the constituencies by indirect but continuous bribery, especially in hard times.

18. The English aristocracy are extremely dexterous and painstaking. They work together in the interests of their order. The poor English "love a lord."

19. There is in England to a larger extent than in any other country in the world a great buffer class, if so I may call it, whose members and their forbears have never from generation to generation taken part in direct capitalist exploitation at home. They have been landowners, professional men, officials, slave-owners, merchants, "squatters," etc. But they have never been actual wage-slave-drivers. Hence they have no active sympathy with the capitalists as a class and modify the direct class antagonism and class war.

20. Drink, betting, love of games. These are terrible agents of the dominant minority, which the majority use against themselves.

21. Bourgeois Socialism. The Fabian Society, and to a less

degree the Independent Labor Party, have done much to persuade such workers as they could get at that we Social-Democrats [Socialists of the Marx school], though we constitute by far the strongest single political party in Europe, don't know what we are about. Mischievous work of this sort acting upon ignorance and apathy is even more injurious than downright opposition.

Now all who read carefully through that summary and take the trouble to reflect upon its various points will form a reasonable idea of the difficulties which we English Social-Democrats have to encounter and overcome. These difficulties are none the less serious because they do not take the shape of violent antagonism. Apathy and half-hearted agreement are harder to fight against, in a sense, than vigorous antagonism. Nevertheless, thorough-going scientific Socialism is making way. Our ideas and even our own phrases have made their way into the whole of the literature of the country. In every department of political and social advance Social-Democrats keep the initiative, and the Trade Unions, reactionary as they still are in many respects, are increasingly ready to follow our lead. In fact, as I have often said, Socialism in England is like a vessel filled with fluid in a laboratory. It is fluid as we look at it; but give it a rough jog and crystallization sets in almost immediately. That necessary shock may come at any moment. The awful catastrophe in British India, where we are deliberately starving millions of people to death while drawing 80,000,000 of dollars in gold from the famine-stricken country this very year on Government account alone; the condition of permanent unrest and disaffection which we have carefully created at enormous cost in Africa; the growing antagonism to Russia in China and to France in the basin of the Mediterranean; the certainty of a great industrial crisis at home at the end of this period of "boom"—any one of these causes, or all of them together, may precipitate the realization of the coming period. At any rate, we are working vigorously on, and I have no doubt that in the twentieth century England will do her share to bring about the great Industrial Co-operative Commonwealth.

H. M. Hyndman.

THE POLITICAL SITUATION IN FRANCE AND THE MUNICIPAL ELECTIONS.

For the last three months the political life of the Socialist party has been absorbed by the municipal campaign which has just ended with the election of mayors throughout the French municipalities. I must first inform our American comrades briefly regarding the electoral system enjoyed by the cities and villages of France. To begin with, Paris must be distinguished from the rest of the country. The capital of the French republic, on account of its revolutionary record and especially the recent events of the commune, has been presented by our rulers with a special government. In all other towns, the largest and the smallest alike, the municipal council, chosen by universal suffrage, selects its mayor, who administers under its control, and directs the police. The city of Paris on the other hand does indeed elect municipal councilmen, but these are not empowered to choose a mayor, and the police is placed under the orders of the prefect of police, an officer named by the central government. Moreover, a part of the ordinary duties of a mayor is at Paris entrusted to a government official, the prefect of the Seine. While speaking of the difference between the municipal system of Paris and of the provinces, I should add that while most of the municipal councils in the provinces are elected on a general ticket for the whole city, Paris, on the contrary, is divided into eighty very unequal districts, each of which chooses a municipal councilman. The rich districts of the center and the west with an average population of fifteen to twenty thousand thus have a representation equal to that of the vast swarms of the east, the north and the southeast, like "La Riquette," "Clignancourt," "Belleville" or "La Gare," where the population reaches seventy, eighty or a hundred thousand.

In a very interesting article which Comrade A. M. Simons wrote for the new French Socialist review, "La Movement Socialist," he explains very clearly that in America you do not have to deal with those survivals of feudal, aristocratic and clerical reactionaries against which the organized proletariat must direct its best efforts in France, Germany and Italy. It is in a bitter struggle against this reaction, which in France is called "Nationalism," that at the present hour the French militant Socialists are obliged to direct their efforts. In truth you have even in America, as well as in England, an analogous movement, namely, imperialism. But your Anglo-Saxon imperialism, while it may

imply militarism and chauvinism, seems to me more evidently economic at its root, while it does not like the French nationalism involve a medieval anti-semitism.

Nevertheless I would not leave the American comrades to suppose that French nationalism is at bottom anything but a mighty effort against socialism and the proletarian revolution. It is a movement which has succeeded in uniting all the forces of the large and the smaller bourgeois, the landed aristocracy and the army, with the braggart demagogues who deceive the unhappy, stupid and ferocious mob into the belief that the nationalist movement will bring remedies for their economic troubles.

Opposed to this nationalist party, the different factions of the bourgeois democracy cut a sorry figure. The republicans whom we call opportunists, and who represent bourgeois liberalism, have certainly passed over for the most part to the nationalist reaction, their chief, M. Meline, at their head. The radicals, who for a long time assumed the direction of the liberal element, and whose tendencies correspond exactly with those of the American Democrats and Populists, have offered a very ineffective resistance to the assault of the nationalists. It is moreover quite evident that demoralization and discouragement reign and will reign more and ever more in the radical camp. Nationalism is in great part, from the economic point of view, not only the party of the upper-class reactionary bourgeoisie, but also the party of the small bourgeoisie, of the little traders and of all that intermediate class from which radicalism formerly drew its strength. So today it finds itself deprived of the greater part of its little bourgeois following, while socialism is taking away daily what strength had remained to it among the workingmen.

Under these conditions the results of the municipal elections in Paris May 6th and 13th are not surprising. Nationalism such as we have described it is especially strong at Paris, where the reaction finds in the petty bourgeois demagogy the element required to enable it to present itself under a new mask. In the provinces socialism has only had to struggle against the bourgeois reaction properly so-called.

The Socialist party, perhaps for the first time, offered itself united, at least as far as voting is concerned, to the suffrages of the whole people. With some rare exceptions there was in each district of Paris only one Socialist candidate, and in each of the other cities of France only one Socialist ticket.

At Paris, among all the parties which struggled against nationalism, the Socialist was the only one which sustained no losses; on the contrary it increased the total of its votes. Of twenty outgoing Socialist municipal councilmen, sixteen were re-elected and four defeated. But on the other hand four seats were gained

by Comrades Ranvier, Weber, Poiry and Paris. Of the four newly elected, three are manual laborers; on the contrary, of the four Socialists who were defeated only one was a laborer and represented a laborers' district, the other three were professional men and represented middle-class districts. As to the figures of the election, the Socialist party had 98,000 votes at Paris in 1896, while in 1900 they had 126,000.

All the bourgeois democratic parties have at Paris been crushed by nationalism. In the old municipal council there were 30 radicals, twenty Socialists, eighteen republican-opportunists and twenty-two reactionaries and nationalists. In the new one there are forty-four nationalists and reactionaries, twenty Socialists, fourteen radicals and two opportunists.

It is therefore the Socialist party which will be at Paris the only vigorous and solid defender of republican liberties, as well as the only representative of the interests of the working class.

But I hasten to inform the Socialist comrades of the United States of the results of the municipal elections in the provinces—altogether remarkable from a Socialistic point of view. Since the election of 1896 the Socialist party has controlled the municipal governments of a certain number of cities, the most important of which were Marseilles, Lille, Roubaix, Dijon, Montluçon and Ivry. Against the Socialist municipalities a terrible assault has been made by the capitalistic bourgeoisie. Let us see what has been the result.

At Marseilles our valiant friend, Dr. Plaissières, has carried off the victory in spite of the coalition of all the bourgeois parties against him. Likewise at Lille the Socialists are victorious with Gustave Delory, a weaver, as also at Roubaix, Montluçon and Ivry. Only at Dijon our friends have been defeated, but there in 1896 their victory was a surprise and came about from there being four bourgeois tickets in the field, which this year were fused against the Socialist ticket.

But brilliant victories and the capture of important cities are still to relate. Our friend, Dr. Augagneur, professor in the University of Lyons, one of the most learned physiologists of Europe, leads the victorious ticket of the Socialist party at Lyons, the second city of France, where thirty-three Socialists and radicals have been elected as against twenty-three reactionaries. The majority of the municipal council of Lyons is in the hands of our party, and Augagneur has been elected mayor of Lyons.

At St. Etienne, a manufacturing city of more than 150,000 population, the Socialist party is victorious as a result of the great strike of last winter, which the Socialist party conducted the striking workers to a victory, especial credit being due to the admirable work of Comrade Jaures. At St. Quentin, at Bourges, at Limoges and at Montceau-les-Mines the Socialist party has

magnificent majorities, and it captured the administration in numerous smaller cities where today it is in full control.

Let me add finally that in a great number of cities the Socialist party has been beaten but has polled an immense number of votes. For example, at Vroyes it came out with 3,600 votes against 3,600 for the bourgeois ticket, with heavy gains at Toulon, Grenoble, Calais, Puteaux, St. Denis, Creussot, Sévillais-Clichy and St. Owen.

Summing up, we may say that the municipal elections of May, 1900, have brought magnificent successes to the international Socialist party in all France, and that in Paris the Socialist party is today the only one capable of defending the interests of modern civilization against the barbarities of nationalism.

Jean Longuet.

Paris, May 30, 1900.

THE LEGISLATIVE ELECTIONS IN BELGIUM.

Before examining into the results of the electoral struggle which has just taken place, it is necessary to give a brief explanation of the conditions attending it. Since 1893 we have a new electoral law which establishes universal suffrage, but only in the sense that it accords at least one vote to every individual over twenty-five years of age. But this universal suffrage is vitiated by the provision that certain citizens, by reason of position or of property, have two or three votes. It is easily understood that this system is made to favor the conservative parties.

Up to this time the law established "election by majority"; this year, for the first time, a new law establishing "proportional representation" went into effect, and on this occasion the parliament had been dissolved and the elections extended over the entire country.

Since 1884, following the almost total exclusion of the liberals, the catholic (clerical ultramontane) government had a majority of 72 votes out of a total of 152 seats in parliament. The liberals had 12 seats and the socialists 28. The new chamber is composed of 85 clericals, 1 Christian democrat, 35 liberals (moderate and progressive), and 33 socialists. The votes were divided as follows: Catholics (clericals), 1,007,166; Christian democrats, 55,000; liberals (of all shades), 500,610; socialists, 463,529. This result is, therefore, a new triumph for our party, for if it gains but five seats it is because the suppression of "election by majority" made it lose Mons. Charleroi and Thuin, where it is much stronger than all the other parties combined. It is, then, rather the increase in the number of votes that should be considered; we have gained about 140,000 since 1896.

Another notable point in our success is that our influence is beginning to pass beyond the purely industrial regions and to extend into the farming regions, hitherto impenetrable. This symptom is very important, for it shows us that success depends upon ourselves and our own efforts.

The results of the election also show that the liberal party, which believed that proportional representation would prove its Fountain of Youth, is truly a party in decay. Almost everywhere since the last elections it is in retreat, and it is evident that, while the advanced elements and all the young are coming over to socialism, the moderate elements are already going into the catholic party, not even voting for the liberal candidates presented at the elections.

Another lesson from the 27th of May is the ridiculous number of votes obtained by the Christian democrats, who only succeeded in electing one single man, and, above all, the death of that abortion called the "Liberal Labor Party," which at Brussels obtained 1,000 votes out of 220,000. This party, organized at the instigation of "moderate liberal" employers, was intended to divert workingmen from socialism.

One conclusion remains to be drawn, and that concerns the future of the political movement. The opposition parties, at least the socialists and the progressive liberals, will press on with more ardor than ever to universal suffrage pure and simple at 21 years, and it is probable that with 1901 will begin an obstructionist campaign in parliament.

Will the moderate liberals join this movement? They hardly seem attached to it today, and their inclinations are drawing them closer to the catholic party, toward which their class affinities push them, as do also their economic interests and their fear of socialism.

Even today we have seen a part of their following pass over to the clericals, in order to solidify the government, for they prefer the present ministry to one in which the socialists might have their word to say. It is, therefore, a concentration of capitalist forces which is impending. While it awaits completion we are organizing ourselves not only on the field of political struggles, but our unions, our mutual benefit societies and, above all, our co-operatives, are taking an ever wider flight, and we are becoming more and more a state within a state, in a way to prepare us to take the place of the capitalist world in all the domains where its activity is exercised.

Prof. Emile Vinck.

KARL MARX ON MONEY.

Karl Marx, when he comes to discuss the subject of money, shows himself to be a victim of his own philosophy. He was a product of his environment—of the conditions and circumstances under which he lived. Living under an imperfect system of bimetallism, seeing that something was out of gear, and not being able to discover what was wrong, as did Sir Isaac Newton (see "The Silver Pound," by Horton, pp. 91 and 264), he concludes that under bimetallism it is always the predominating metal alone which forms the standard of value. A great many other good men whose names sound authoritative were deceived in the same way. It was not till bimetallism had been destroyed by stopping the free coinage of silver that men's eyes were opened. They then found themselves in a condition similar to that of the Frenchman who had been speaking prose all his life and did not know what prose was. Marx and his contemporaries lived under bimetallism all their lives, and only after this was destroyed were such of them as lived long enough enabled to see that even under imperfect bimetallism one metal alone is not the standard of value.

The weight of Marx's name has carried the whole socialist party off its feet. Engels, Kautsky, Hyndman, Bax, Morris, all swallow Marx's money theories as a material and indispensable part of his economic teachings. In America comrades Gronlund, Bersford, Vail, Ladoff, Saxon, Jackson and others keep us well supplied with pamphlets and articles showing the fallacy of a fifty-cent dollar and the necessity of intrinsic value money.

The Socialist Labor Party, in its platform of 1896, declared in favor of government money. In its platform of 1900 it omitted all so-called immediate demands. The Social Democratic Party, in its platform of 1900, speaks of gold mines and public credit, but evades taking any definite stand on the subject of money.

It may be that it is inopportune at the present time, full of so many other troubles, to stir up the money question among socialists; we ourselves have thought so, and were willing to wait a while. It will stir up a good deal of bad blood. Billingsgate will flow freely where arguments are lacking. We know what to expect. We shall be looked upon, by our comrades, if not openly so called, as a silver-plated socialist, a repudiator and an inflationist in the pay of silver mine owners. But we are used to that. We will cheerfully stand the billingsgate if the editor of the International Socialist Review will bear the responsibility of allow-

ing any discussion at all on the money question at the present time. If socialism is to remain a science and not degenerate into a dogma; if socialists are to maintain their proud and justified claim that they march in the front rank of scientific inquiry, they will some day have to re-examine their position and admit that Marx made a mistake about money—a mistake which is easily accounted for, and in no way lessens the general value of his economic and social teachings.

The true policy of socialists is not to attack the money reformers on their own ground and get beaten by them, but to acknowledge what is correct in their demands and point out to them the fact that the government control of money would not have the effect aimed at unless it also included government control of credit, which is now in the hands of banks; in other words, that money reform is worthless unless it includes government banking and a repeal of the laws which enable private lenders to collect interest; that such a fundamental change as they demand can never be brought about by the middle class; that nothing short of a proletarian upheaval can overthrow the money power; and that the only way to get what they seek is to join the socialist party.

Marx's views on money are found in Chapter III of *Capital* and in Chapter II of his *Critique of Political Economy*, published in 1859, which is frequently referred to in the foot notes of *Capital*. Our space does not permit us to quote from these works as copiously as we should wish. It is not easy to formulate clearly Marx's views. His statements frequently appear to be contradictory. If the principles we here attribute to him and criticise do not truly represent his views we are willing to stand corrected. Let us begin with *Capital*, page 61.

"The law that the quantity of the circulating medium is determined by the sum of the prices of the commodities circulating and the average velocity of currency may also be stated as follows: Given the sum of the values of commodities and the average rapidity of their metamorphoses, the quantity of precious metal current as money depends on the value of that precious metal. The erroneous opinion that it is, on the contrary, prices that are determined by the quantity of the circulating medium and that the latter depends on the quantity of the precious metals in a country; this opinion was based by those who first held it on the absurd hypothesis that commodities are without a price and money without a value when they first enter into circulation and that once in the circulation an aliquot part of the medley of commodities is exchanged for an aliquot part of the heap of precious metals."

We also quote foot note accompanying above statement: "Adam Smith takes the right view where he says that the quantity of coin

in every country is regulated by the value of the commodities which are to be circulated by it; that the value of goods annually bought and sold in any country requires a certain quantity of money to circulate and distribute them to their proper consumers and can give employment to no more. The channel of circulation necessarily draws to itself a sum sufficient to fill it and never admits any more. (*Wealth of Nations*, Bk. IV, ch. I.)”

Explanation:—The term price level, as used by us, means the general range of prices. Marx’s own word for this is *Preisgrad*.

Price sum means the total amount of sales. Marx’s word for this is *Preissumme*. It is the product of the total quantity of commodities sold multiplied by the price level.

Money means the money in actual circulation, not including hoards and reserves.

Commodities means the commodities actually on the market for sale, not including stored or warehoused commodities.

Products mean articles that have been produced, but have not yet been put upon the market for sale as merchandise or commodities. Products includes articles produced for use as well as those produced for sale.

These distinctions, if kept clearly in mind, will aid us to express ourselves with more brevity and precision.

THE QUANTITY THEORY ACCORDING TO MARX.

Marx admits that the quantity theory of money applies in the following cases:

First, to fiat money.

Second, to partially fiat money, as light weight silver coins under limited coinage.

Third, to times of great changes in the value of gold, which generally occur on the discovery of new and productive mines.

Fourth, to full weight free coinage gold money in gold producing countries, where the gold is coined direct for the miners’ account without being first bartered for commodities. (At least this is as we understand Marx.)

Fifth, to cases where the weight of the unit is changed. But it does not apply, Marx claims, to full weight, free coinage gold money in non-gold producing countries, where the gold has to be imported after having been bartered at the mines for commodities, provided, and mark well only on this proviso, viz., that the value of gold, that is, the price level, remains unchanged during all the changes in the quantity of money! *Wer lacht da?* What are you laughing about? We claim that the value of money depends on its quantity. Marx claims that the quantity of money has nothing to do with its value, provided its value always remains the same. We claim that a change in the quantity of money will cause a change in its value. Marx says no, a change in the

quantity of money will cause no change in its value, if its value remains the same; that is, if the value of money does not change, its value will remain the same.

MARX ADMITS THE QUANTITY THEORY OF MONEY TO BE TRUE IN CASE OF A CHANGE IN THE VALUE OF GOLD.

This is all that has ever been claimed for the theory under free coinage. It is admitted that under free coinage the value of gold metal and gold coin is the same; but it is claimed that an increase in the quantity of money by making money out of some other material than gold lessens the value of gold as long as any gold money remains in circulation. This Marx denies.

To decide whether a rise in the price level is due to a fall in the value of gold, as Marx claims, or to an increase in the quantity of money, as we claim, it is only necessary to observe that, if under free coinage the coins be diminished in weight by one-half and the same names retained, there would be a rise of the price level, as Marx admits. If on the other hand, the coins be diminished in weight by one-half, but the coinage limited in quantity to the same number of coins as previously existed, the price level will remain the same, though the value of the gold metal contained in the coins will be one-half the same as formerly. This proves that the quantity of money, and not the value of the metal in the coins determines the price level. This is to Marx a stumbling block. He cannot understand limited coinage, especially when concurrent with full weight coins. It did not exist on a large scale in his time, and it appeared to him abnormal and unnatural. He could not see that money is not a natural product, but a societary creation. That it has exchange value, but no utility. He says that money is by nature gold and silver. He denies that anything can have exchange value without utility. (*Capital*, p. 5.) This is the source of all his errors on the money question. He appears to have thought this claim necessary to sustain his labor theory of value. He would not make an exception of money.

He afterwards admits that there are two kinds of utility. "The use value of the money commodity becomes twofold. In addition to its special use value as a commodity, (gold for instance serving to stop teeth, to form the raw material of articles of luxury, etc.) it acquires a formal use value originating in its specific social function." (*Capital*, p. 39.)

That is, money may have a value and yet have no utility other than its social utility as a perpetual medium of exchange.

If Marx were living to-day, he might go to any large bank in London and buy a £'s worth of Indian rupees; he would get a certain weight of silver coins. He might then buy a £'s worth of Mexican dollars; he would get a very much greater weight of silver coins. He could then sit down and do some hard thinking,

and might finally come to the conclusion that the value of money, whether paper, silver, or gold depends on something else than its weight; that free coinage, upon which he bases all his discussion of money, is no more a natural system of money than capitalism is the natural and eternal system of economy; that free coinage is only a method of allowing private persons, (mine owners,) to issue money the same as bank owners are allowed to do the same thing by issuing paper money; that the nationalization of all money and credits, as demanded in the Communist Manifesto would abolish free coinage and knock the bottom out of Marx's whole theory of money.

Marx cannot understand how one ounce of metal can be of equal exchange value with two ounces of the same metal; neither can we. But we can readily understand how one ounce of metallic coin can be of equal value with two ounces of metallic coin, or two ounces of uncoined metal, and the illustration of the Indian rupee under limited coinage, and Mexican dollars under free coinage will explain it.

THAT THE PRICE LEVEL IS ALWAYS CONSTANT.

All of Marx's theories about money are based upon this assumption, and it is necessary to keep this constantly in mind when reading what he has to say. Marx tells us frankly that in his reasoning he considers the value of gold as given, as fixed, which of course implies that the price level is also fixed, for the price level is the way the value of gold is indicated. Do not confound price level with particular prices; particular prices may change, and yet the general range of prices, the price level, may be stable. A clear perception of this fact is indispensable to an understanding of money.

With a fixed price level, Marx asserts that the quantity of currency or gold in circulation depends on the price sum, that is the aggregate of all prices realized, or the aggregate of sales. These terms, price level and price sum, are Marx's own words, (*Preisgrad, Preissumme.*) The aggregate of sales, or price sum, is made up of two factors, the price level or rate of sale and the quantity of commodities sold. As the price level is fixed, to say that the quantity of currency depends on the price sum is the same as to say that the quantity of currency depends on the quantity of commodities sold. What Marx says, therefore, amounts to this: the price level being fixed, the quantity of money depends on the quantity of commodities. So far as we can see, Marx is right; his conclusion is unassailable. It is a poor rule that will not work both ways, and we find that Marx's rule will work both ways. The other way to work it would be to say that with a fixed price level the amount of commodities sold depends on the amount of gold in circulation. This conclusion is also unassailable. Tak-

ing the three terms, price level and money and commodities, and assuming one of them to be fixed, various conclusions can be drawn as to the other two terms. Let P. L. stand for price level, M. for money, C. for commodities. The whole scheme stated in tabular form would be as follows:

- With P. L. fixed, M. depends on C.,
or C. depends on M.
- With M. fixed, P. L. depends on C.,
or C. depends on P. L.
- With C. fixed, P. L. depends on M.,
or M. depends on P. L.

Why Marx, out of these six forms, should pick out one only and harp on it to the exclusion of the other five, we cannot see.

Commodities are produced and sold by private individuals according to their necessities without any regard to the price level. Gold is produced and put into circulation as money by private individuals according to their necessities or interest without any regard to the price level. The price level is the result of these two forces operating against each other, and fluctuates up or down as the production of one factor increases or diminishes with reference to the other. It is about as stable as the mercury in a thermometer. These are the facts. With these facts before him, Marx puts the question, How much money should there be in circulation? He replies by saying that, if we assume a stable price level, the quantity of money will be regulated entirely by the quantity of commodities sold. This is the sum and substance of thirty-five pages of financial philosophy in *Capital*, and one hundred and fifty-six pages in *Critique*. "The mountain labored and brought forth a mouse." It is difficult to treat the proposition with the respect due the author. When metal and coin are interconvertible and coin forms the exclusive currency with no credit, no paper money, no light weight coin, and no debased coin, these being the conditions which Marx assumes in simple circulation, and when this metal is further assumed to have a stable value, and that no change is possible in the unit of price, i. e., in the weight of the coins, then indeed the science of money becomes vastly simplified; it is simplified out of existence. Nothing remains to be said on the subject.

Let us allow Marx to make these suppositions:

1. Supposing gold to be of stable value.
2. And supposing gold metal to be coinable without limitation.
3. And supposing gold coins to be decoinable or meltable without limitation.
4. And supposing as a result of 2 and 3 that gold metal and gold coins are of equal value (disregarding abrasion) and that therefore gold coins are of stable value.

5. And supposing that price level (prices) is only another name for gold coins estimated by unit of price fixed by government, instead of by unit of weight.

6. And supposing that the unit of price is stable and not changed by the government.

7. And supposing gold money were the exclusive medium of exchange and there were no check offsets or credit of any kind.

8. And supposing that gold could be produced evenly and regularly to an unlimited extent the same as any article of common manufacture.

9. And supposing that money were not more readily and universally exchangeable than an ordinary commodity; or that men did not act according to their self-interest, and did not prefer money to commodities as a form of stored labor; that is, supposing a change in human nature, then indeed Marx's observations on money might be in point.

But there is no such exclusive gold currency in existence as Marx assumes. The silver and fiat currency exceeds the gold currency, and the credit exceeds in efficiency the combined currency of gold, silver and fiat. We admit Marx's conclusion, but we object to the introduction of it into the discussion as irrelevant, immaterial and incompetent. The question for investigation is not the quantity of money with a stable price level, but the quantity of money as affecting the price level. A stable price level is desirable, as all admit. Governments allow the use of fiat money, light weight coins and credit, all of which affect the price level. The government pretends to keep the price level stable; all taxes are levied and salaries of government officers are fixed on that understanding. The government has no control over the production of commodities and no control over the production of gold. The only means it has of exercising a control over the price level is by regulating the amount of fiat money. This it can do and does do, though at present it does it very poorly and at haphazard.

Marx cannot shield himself behind the plea that it was not his province to suggest remedies, but to discuss facts, and explain actual phenomena. He does not discuss facts. In supposing an exclusive gold currency without silver and without credit he is drawing entirely on his imagination; no such currency has ever existed, unless he has in mind something like coon skin money or tobacco money. It is Utopian money. To say that bimetalism is impossible when it is actually in existence before your eyes, though in an imperfect form, and to assume an exclusive gold currency as the basis for a discussion of money is certainly a master piece in the art of ignoring a difficulty instead of solving it. To what desperate lengths a man is driven who ignores facts can be seen in Hyndman's *Bankruptcy of India*, p. 215. This

great Marxian economist, following his master, rejects bimetallism. He ends by recommending that gold be demonetized the world over, and that silver be used as exclusive currency. This is the proposition of a hard-headed, matter of fact evolutionist, who pities bimetallists as deluded dreamers.

THAT PRODUCTS ARE DIRECTLY BARTERED FOR GOLD AT THE MINES. THAT THEREBY THEIR VALUE BECOMES FIXED SO THAT WHEN THEY COME UPON THE MARKET AS COMMODITIES THEIR PRICE IN GOLD IS DETERMINED BEFOREHAND.

Against this view it may here be observed that the products bartered for gold at the mines do not afterwards come upon the market as commodities, but pass over into use, and are consumed. Again, products before they are bartered have a price; in fact they are no longer products, they are already commodities, which means that their counterpart, money, is already in existence. Marx says that barter comes before price and fixes price. Barter does come before price in one sense; it exists before the introduction of money. Money is introduced by fixing upon unit of price. Thereupon a price at once attaches to all products offered for exchange or sale. From now on the price comes before barter; in fact, primitive barter is abolished and price barter takes its place. All barter is conducted with reference to the prices of the commodities bartered. A commodity bartered for gold at the mines brings just as much gold as if sold for a price in money, no more and no less. It is price that fixes barter value, not barter value that fixes price. Gold itself has a price expressed in units of valuation.

Mr. Hyndman sees this: "So completely has the idea of valuation apart from money disappeared that insensibly those who wish to obtain other articles in place of their own, estimate the value of their possessions which they propose to transfer, not with reference to the need which they have of the other articles they desire to possess in place of these, but with regard to the price that either would realize if brought into the open market. An exchange of commodities may be directly effected between individuals in this way; but still in spite of all they can do, the vision of the price current is ever before them." (Hyndman, *Economics of Socialism*, p. 114.)

THAT A COUNTRY REQUIRES A CERTAIN QUANTITY OF MONEY TO CIRCULATE ITS COMMODITIES, NO MORE AND NO LESS.

This is true on the assumption made by Marx that the price level is stable. It is not the conclusion that we object to but the assumption on which it is based.

This claim is closely interwoven with the question of interna-

tional parity of exchange, free coinage and meltage, and the re-coinage of foreign coins into domestic coins, all matters to which Marx gave little attention, though they are of fundamental importance.

Let us see if this rule will work both ways. If a country requires only a certain amount of money to correspond with its commodities, then the converse must be true, viz., that with a stable price level a country requires only a certain amount of commodities to correspond with its money; that the money of a country will carry only so much merchandise and no more, and when the channel is full the surplus will overflow. Where will it overflow to? To foreign countries by way of exports. But considering the whole world as one commodity producing country, as in fact it is, for commodities are international, where would the overflow go to? Marx does not answer. He cannot answer because his famous stable price level would break down.

Marx complains of Ricardo that he gives the discussion of the money question an international tinge. (*Critique*, p. 184.) So did Marx give the labor question an international tinge. Science is international. When the money under consideration is made of an international metal subject to free coinage, recoinage and decoinage, no other method of consideration, except from the international standpoint, is worth anything.

To claim that gold has an intrinsic value, and that therefore only so much can circulate in a country as corresponds with the quantity of merchandise in that country is to confuse concrete labor value with social labor value, and implies that the social labor value of a product can never change. The concrete labor expended in producing a product is ascertained at the time of production of that particular product, and, of course, never changes for that particular article. But the social labor value of that particular article when it becomes a commodity and mingles with other like articles produced at different times and under different conditions, is subject to constant fluctuations. If it has an intrinsic value or value of its own, as Marx expresses it, such value is at any rate not fixed.

Now, gold differs from other articles in several particulars; first, it is not produced normally in indefinite quantities, but is discovered accidentally in uncertain and irregular, but always comparatively small quantities; second, it is indestructible, and there being a large stock on hand the annual output affects the total quantity but little, and the social labor value of the annual output, considered apart from the old stock on hand, is a matter of almost no consequence; third, it is an article endowed by law, through free coinage, with the peculiar and unique quality of universal salability, so to speak. This quality can be given only to a comparatively scarce article. To give it to an article capable of in-

definite and universal protection would defeat the object sought; fourth, being thus universally salable, and its production being in the hands of private individuals, each working for his own private interest regardless of what others are doing and regardless of the public requirements, its production is always carried on at a maximum, just as banks of issue, when free to do so, issue their notes to the utmost limits. Yet in spite of these striking features, which distinguish gold under free coinage from all other articles, Marx implies that gold miners regulate their output to correspond with the volume of commodities, so as to maintain a stable price level; that if they do keep on mining beyond the requirements of a stable price level, they are mining for use and not for profit. It is not because the production of gold can to a slight extent be controlled by individuals that makes it usable as money; it is rather in spite of that fact.

THAT ALL THE GOLD IN A COUNTRY DOES NOT ENTER INTO CIRCULATION.

This is superficially true; but essentially it is utterly false and misleading. In every country a certain amount of gold is needed for the arts, for plate, ornaments and jewelry; some is also kept as hoards and reserves; all the rest circulates as money, and this money volume can in no way be increased, except within very narrow limits out of hoards and reserves, but by no means to correspond with the increase of commodities. So that it is perfectly correct, speaking broadly, to say, that substantially all the gold in a country enters into circulation, and this would be true in principle even though a much larger proportion were used in the arts than now. Just as there is a minimum standard of living at any one time and place, but not always and everywhere the same, which determines the value of labor power, so there is in every country a minimum quantity of gold needed for non-monetary purposes, out of which no increase of the circulating medium can be derived. The relative amount of such hoards differs in different countries. It is greater in India than in France, and greater in France than in England.

Gold metal stands in the same relation to gold money that products do to commodities. To say, therefore, that all the gold in a country does not circulate as money is analogous to saying that all the products of a country do not circulate as commodities. This is superficially true. But in substance it is false. A certain minimum of the products are consumed by the producers as utilities without ever becoming commodities, but everything above that, in short, the vast bulk of the products is thrown upon the market as commodities. No one demonstrates this so clearly as Marx. All his economic writings go to show that the prevailing system of production to-day is the production of com-

modities not utilities. But when he comes to gold he falls down, whether out of reverence, or fear, or ignorance, we know not which. With him gold is an exception. It is produced for use, not for exchange. It is a utility, not a commodity. Although gold is mined for profit, and not for use, yet he implies that it is not thrown upon the market. Money is the chief form which gold takes when it is thrown upon the market. It is either a utility, or it takes the form of money instead of becoming a commodity. It is apparent, then, at a glance how absurd it is to claim, as Marx does, that only a certain modicum of gold can be put upon the market as money, and that all above that is produced for use and not for exchange.

THAT THE QUANTITY OF MONEY DEPENDS ON THE QUANTITY OF
COMMODITIES SOLD.

That is, if more commodities are sold they will call forth more money, so that the price level will remain the same.

This statement appears to us to rest upon some contradictory and impossible assumptions. Marx first assumes that the price level is and remains stable. This implies that there is a given quantity of money and a given quantity of commodities. He next assumes that more commodities are sold. But this is an impossibility. With a given amount of money and a fixed price level more commodities cannot be sold. If sold, they would have to be sold at a lower price level, which is contrary to the first supposition. The increased sale of commodities, therefore, cannot be the cause of an increase in the quantity of money. It cannot precede the increase in money, but must be simultaneous with it. One cannot be the cause of the other. Commodity producers do not regulate their activity by that of money producers. They act privately, each individual according to his own supposed interest. Money producers do not regulate their activity by that of commodity producers. They act privately, each individual according to his own supposed interest, regardless of the effect of his activity when combined with that of other individuals on the world's market as a whole.

To suppose that money and commodities increase simultaneously, so as to maintain a stable price level is to assume that there is a planful and concerted action between commodity producers and money producers according to some previous agreement. Such assumptions belong in the land of dreams. They are Utopian.

The assertion that to manufacture commodities is to manufacture additional money, or that to manufacture money is to manufacture additional commodities, only needs to be plainly put before the mind to appear in all its naked absurdity. But the assertion that to manufacture more commodities lowers the price

level, or that to manufacture more money raises the price level, is a self-evident truth to every one who is not glued to the idea that nothing, not even money, can have exchange value unless it has utility in addition to its function as a medium of exchange.

THAT PRIVATE HOARDS SERVE AS EQUALIZERS.

They do perhaps to a limited extent, but by no means to the extent of supplying the amount of currency needed in proportion to the commodities, as Marx claims. Just as gold is mined entirely to suit the interest of the individual mine owner and regardless of whether the volume of commodities is increasing or diminishing, so hoards are accumulated and paid out to suit the interest of the individual owner regardless of the volume of commodities; and so also where banks are allowed to issue notes, they are issued entirely to suit the interest of the particular bank regardless of the public requirements. If hoards accomplished what Marx claims for them, there would never be any rise or fall of the price level. If the government should maintain a large reserve and expand or contract it in the interest of the public solely for the purpose of keeping the price level stable it might do some good. We have recently had a fine example of how our officials manage such things. In November, 1899, at a time when the price level was rising, and had been rising for months, and when, therefore, money instead of being issued should rather have been hoarded, Secretary Gage, regardless of the public welfare, and solely in the interest of a small clique of stock exchange speculators issued from the reserve \$25,000,000 by buying bonds, so far as offered, thereby expanding the currency. He did for his friends exactly what a bank does for itself when it issues bank notes for its own profit regardless of the state of the currency, and exactly what a gold miner does when he works a rich mine to the utmost in his own interest, even though the public welfare requires that it be shut down. If the government owned the gold mines, the private hoards and the banks of issue, and operated them with reference to maintaining a stable price level, something might be accomplished. But to claim, as Marx does, that private mines and private hoards are now managed so as to have that effect is to claim something which can be supposed or assumed, but it is not in accordance with the actual facts.

THAT THE VALUE OF GOLD IS NOT AFFECTED BY THE USE OF FIAT MONEY.

The same principle would, of course, apply to the use of light weight coins, bank bills, credit and bimetallic money; it also implies that if gold were entirely demonetized, its value would remain the same.

Marx complains bitterly that Ricardo and James Mill set out

to prove that the use of fiat money affects the value of gold and end by assuming it without proof. (Critique, p. 193.) Marx demands proof of it. The quantity theory of value applies not only to money, but also to the money commodity.

It is true that fiat money does not increase the total quantity of gold. But the fact that gold coin and gold bullion are interconvertible does not make them the same thing at the same time; when gold is money it is not bullion, and when it is bullion or is hoarded even in the form of coin it is not money. A product cannot be money and a commodity at the same time. Herein lies one of Marx's vital errors. He regards gold coin when hoarded as the same thing as gold coin in circulation, only performing a different function. Therefore, he argues, fiat money, although it will drive gold money out of circulation, will not lessen the quantity of gold money, and will not increase the quantity of gold bullion compared with gold money, and, therefore, will not lessen the value of gold. This is what Marx claims in one place.

Let us pit Marx against Marx. Take the three factors, gold in circulation, price level and commodities. With a fixed value of gold, which means a fixed price level, Marx says the quantity of gold in circulation will vary with the quantity of commodities. If this be true, then with a fixed quantity of commodities the quantity of gold in circulation will vary with the changes in the price level, and the changes in the price level will vary with the quantity of gold in circulation; nota bene, the price level is directly connected with the quantity of circulating medium, and has no connection with the quantity of coin in hoards. Here Marx shows very plainly that so far as price level is concerned gold coin in hoards and gold coin in circulation are two entirely different things; that hoards have no effect on the price level, which is determined wholly by the quantity of the circulating medium, assuming the quantity of commodities to be fixed. But what is the price level? The price level is the value of gold. The value of gold, therefore, so long as it continues to form any part of the circulating medium, depends on the quantity of that circulating medium.

Marx distinguishes between price and value. Price depends on supply and demand, that is on quantity; value depends on amount of labor power. Price fluctuates around value, sometimes above and sometimes below it, the temporary price depending on the quantity of the commodity in the market. (Marx: Value, Price and Profit, p. 36.)

Applying this line of reasoning it might also be claimed that in barter things are exchanged according to their temporary value which might be either above or below their real labor value. It might also be claimed that the price level does not indicate the true value of gold but only its temporary value. In short that

there are two kinds of exchange value, temporary exchange value and true exchange value and that every one is free to decide for himself when a thing is exchanged for its temporary value and when for its true value. All you need to do therefore to save yourself in a debate is merely to remark that what your opponent calls value is not after all true value, (of which you are the sole judge) but only temporary value.

The labor theory of value may apply to the relative value of commodities as among themselves. It does not apply as between all commodities on one hand and the money commodity or money on the other. The relation between these two is never anything else than a temporary relation. Therefore the necessity for Marx to assume that gold has a stable value and thereby remove the discussion from this world to Utopia.

Let us again make use of Marx's favorite language, mathematics. Let P—price, or price level; Q—quantity, scarcity or supply and demand; V—value; L—labor or labor power. Now, price says Marx, varies as quantity, but value varies as labor power, that is:

Now suppose with Marx that the value of gold is stable and the unit of price or weight of coin is stable, then price and value will coincide and be equal. So will quantity and labor power coincide and be equal. There will be no fluctuations between price and value. Then we will have:

Now, says, Marx, do you not see that price varies as labor power? Yes, we see it. We also see that this is only one quarter of the whole truth. Why does Marx ignore the other three forms, especially the fourth one, which shows the remarkable fact that value varies as quantity, and not as labor power? In supposing that price and value coincide Marx has abolished the difference between his labor theory of value and the quantity theory.

THAT FIAT MONEY REPRESENTS GOLD.

There are two kinds of fiat money; first, fiat money concurrent with gold; second, fiat money with gold demonetized. In the first case, it may be said in one sense that fiat money represents gold, inasmuch as it coalesces with gold money, and its movements conform to the movements of gold money, so long as any of that is left in circulation in the sphere in which fiat money circulates; when all the gold is driven out of this sphere, fiat money can no longer be said to represent gold. Neither does fiat money represent gold when gold is demonetized. The present fiat silver money of India does not represent gold and has no connection with gold. Neither does it represent silver bullion.

It is frequently claimed that California during the civil war of 1861 to 1865 formed an exception to the power of the state to create fiat money. The money in that case was a partial legal

tender greenback with gold monetized, and the state government working at cross-purposes with the federal government. Suppose at that time both gold and silver had been demonetized and full legal tender fiat money had been issued, supported by both state and nation, how much gold would have circulated as currency?

Marx admits that the value of fiat money depends on its quantity, but claims that the value of gold money does not depend on its quantity, but on the barter value of gold; that its barter value, however, does depend on its quantity, because it is bartered for commodities on the basis of its quantity. We are unable to see any essential difference between saying that the value of gold money depends on its quantity, and saying that the value of gold metal depends on its quantity, metal and money being interconvertible. Marx's answer would probably be that although metal can be converted into coin, this coin cannot be put into circulation and become money, so as to change the price level, without breaking his assumption that the price level is always the same. Here is where he has us. In one place he says that fiat money, though it will drive gold out of circulation, will not lessen the quantity of gold money, i. e., it remains money after it has gone out of circulation. In another place he says that metal, though converted into coin, is not money unless it is put into circulation. If a man is at liberty to shuffle the facts to suit his convenience at different times he can prove almost anything.

THAT MONEY SHOULD NOT BE TREATED INTERNATIONALLY.

Commodities are international and their counterpart money, when the material of it is a commodity as gold, is necessarily also international. It is true that the coins of one nation do not circulate in another, but the gold of one nation does circulate in the coins of another. Marx says international trade is barter. But what kind of barter? Barter is of two kinds; first, primitive barter without price; second, price barter, which is an exchange made on the basis of price, but without the actual intervention of money, though it presupposes the existence of money. International trade between gold using countries is barter of the second kind and does not differ in substance, though it does in form, from domestic trade. International trade is not even barter between countries having entirely disconnected money systems, as for example, between an exclusive gold country and an exclusive silver country, or an exclusive paper country, or between two exclusive paper countries having different paper money systems. Even here it is not barter properly speaking. It takes place on the basis of price according to whatever rate of exchange happens to prevail at the time, there being no fixed par of exchange.

If this should fall under the eye of some monometallist, who

also claims to be an international socialist, it would be interesting to have him explain on what theory he advocates disparity of exchange, or defends the existing disparity of exchange as being beneficial to the proletariat; if a falling price level benefits the proletariat of gold countries, how does a rising price level benefit the proletariat of silver countries? Or conversely, if a falling price level injures the proletariat of gold countries, how can a rising price level injure the proletariat of silver countries? And if disparity of exchange between the gold group and the silver group is a good thing for the proletariat why not have disparity of exchange between the different countries of each group? Universal monometallism might be a good thing, but until that comes it is advantageous to have the money of different countries interchangeable at a fixed par of exchange; and it appears to us inconsistent in the monometallist, who claims to be the friend of the working men of the world to ride rough shod over all those who do not happen to live in gold using countries.

International parity of exchange, even without an international unit of account, but especially combined with such a unit, would be a most powerful bond of union between the working men of all countries. It would facilitate comparisons and tend to equalize economic conditions in all countries and pave the way for uniform wages, hours, etc. It is one of those steps which capitalism will take in its own interest, but which will prove to be a step towards its own overthrow.

WHERE WE DIFFER.

Marx says the quantity of money is regulated by the quantity of commodities.

We say the quantity of money, with simple gold circulation, is not regulated at all, but is accidental and irregular, depending on the output of the mines.

Marx says the total quantity of gold in existence cuts no figure, because it does not all circulate as money.

We say that after deducting a certain percentage for ornaments, for use in the arts and for hoards, all the rest circulates as money, and that other things being equal, an increase in the total quantity of gold means an increase in circulation. The total quantity of gold does cut a figure.

Marx says that price level is the cause and money is the effect.

We say that money is the cause and price level is the effect. That until money is created there is no such thing as price level.

Marx says that the relative value of gold and commodities is fixed by barter at the mines before the gold is coined.

We say that after the establishment of free coinage there is no such thing as barter for gold, except with reference to the coinage value of the gold.

Marx says that under bimetallism one metal only is the measure of value.

We say that metal is never the measure of value, not even under monometallism; but that the total quantity of money which circulates is the measure of value in all cases whether under monometallism, bimetallism, paper money, or counterfeit money.

Marx says that commodities enter circulation with a fixed price.

We say that although the price of a particular article is fixed at the moment of sale, yet that same article immediately thereafter, or another article of the same kind, may have a different price; that when goods are put upon the market for sale their asking price is continually changing.

Marx says that gold enters circulation with a given value

We say that although at the moment of a particular purchase the value of gold is fixed, yet between purchases the value of gold may be continually changing.

Marx says that although gold may be mined and coined, it cannot be put into circulation, unless commodities exist to correspond with the gold; and implies that although products may be produced, they cannot be put upon the market as commodities and sold, unless enough money is in circulation to enable them to fetch a given price.

We say that commodities are sold for what they will fetch, be it much or little, and that gold when coined will be put into circulation for what it will buy, be it much or little.

Marx admits that the quantity of money is directly connected with price sum, or respectively price level. One is the cause, the other is the effect. But which is which? Marx says price sum is the cause and quantity of money is the effect.

We say that money is prior in time, and must first exist before there can be any such thing as price, or price sum or price level; that money is the cause and price sum is the effect.

Marx says with Adam Smith that a country needs only so much money and that no more will circulate.

We say that a country will use all the money that the law permits to be made (except customary hoards). In one sense Marx's claim is partially true, but only partially—just enough so to show that it is thoroughly false. For instance, if several countries are on a gold standard each one can circulate only its proportionate share of money to keep its price level the same as in the other countries. But take all these countries together, let them increase their money simultaneously and they can increase it tenfold or a hundredfold. Again, one of these countries alone, as long as it has gold to export, can by exporting it increase the money of the other countries and thereby make it possible to increase its own circulation over what it was before, without losing its parity of exchange with the other countries.

Marx says that fiat money will drive out gold.

We say, don't you believe it. It will do no such thing. This is what is called Gresham's law, and as commonly applied is false. Bad money, that is, fiat money, will no more drive out good money than good money will. As between several countries on a gold basis fiat money will drive gold from one country to another, provided it is issued in one country alone and not in all. But it will drive no gold out of circulation; if the gold does not circulate in one country it will in others. So will good money drive out good money if it is issued in one country alone. It will drive out just as much as fiat money would, no more and no less. But it will not drive it out of circulation. It will reappear in the circulation of other countries. But if additional money whether good or bad be issued in these different countries simultaneously, each receiving its proportionate quota, they would preserve a par of exchange, no gold would be driven out of circulation and none would be exported from one country to another.

Marx says that under fiat money there is no standard. (*Capital*, p. 65.)

We say that the total quantity of money of all kinds, even including counterfeit money, forms the standard of value.

Marx says that fiat money represents gold.

We say that so far as a standard of value is concerned fiat money no more represents gold than it represents hay or potatoes. With reference to a scale or standard of price it may be admitted that among modern nations fiat money has been developed historically out of commodity money and its representatives; and that it retains the old names for the units even after it has become entirely separated from and independent of commodity money.

* * * * *

"This Odilon Barrot was appointed president of the inquiry commission and drew up a complete indictment against the February revolution, which ran as follows: March 17, Manifestation; April 16, Conspiracy; May 15, Attack; June 23, Civil War. Why didn't he extend his learned criminal researches back to February 24th? The *Journal des Debats* gave the true answer: the 24th of February is the date of the founding of Rome. The origin of states is lost in a myth which we must accept by faith, but may not discuss." (Marx. *Class Struggles in France*, p. 44.)

Well said, comrade Marx, excellently well said! As with states so with price level. You extend your learned researches as to price level back to some point subsequent to the introduction of money or the fixing of the unit of valuation. But why not go back to the origin of money when the quantity of money or the weight of the unit was fixed? Because the origin of money you assume to be lost in a myth which we must accept by faith, but may not dis-

cuss; it would be sacrilege; because forsooth we should there discover the wonderful secret, the key of all knowledge on the money question, that the quantity of money determines the price level at the starting point, and at all times thereafter.

But this is only tautology, some one will say. Very well; if it is only tautology why not frankly admit it? Why be at such pains to refute what is only a tautology?

So it is also a tautology to say that with an exclusive commodity money of stable value under free coinage and no credit the quantity of money depends upon the value of the metal. It is not only a tautology; it is a supposition contrary to existing facts.

Comrades, what kind of a hearing do you expect to get on the weightier matters, when such Utopian dreams are put forth as the science of money and as an indispensable part of the economics of socialism? "Aussprechen das was ist!"

Marcus Hitch.

TRADES UNIONS AND SOCIALISM.

The question is often propounded: "What is the trade union movement doing for socialism?"

Before making answer off-hand, it will be well to consider a few facts. In the first place, the trade unions are composed of a heterogeneous mass of workingmen, the majority of whom have had little conception of economic development and industrial revolution. They have been taught by their fathers, by the old school of political philosophers, by the press and pulpit; that there is a chance for everyone to become president of the United States or a millionaire. Up to recent years there were still opportunities to take advantage of natural resources, to "go West, young man, and grow up with the country," and the average workingman, in or out of the union, honestly believed that the competitive system of capitalism was, on the whole, a just and scientific system—all that it needed was a little reform grease here and there to make it run smoothly.

But as machinery began slowly and surely to make inroads on the trades, the union member, undisciplined and untutored as he was, gradually became impatient and restless, and this dissatisfaction found vent, politically, in supporting Greenback, Union Labor or People's parties, or "good men" and "workingmen's friends" on the old party tickets. Throughout all this extraordinary "reform" maneuvering the stubborn fact of material interests stands out plain, and there was likewise a vague class-consciousness discernible. The labor giant was uneasy, truly, but he still had his eye on that million and the presidency. "If I can only knock down that tariff wall and bust the protection barons somehow, or get plenty of greenbacks and free silver," he argued, "I can get a start and become rich and a great statesman."

But as the tools of labor developed and grew larger, capital kept pace and centralized, until to-day the company and corporation is no longer a factor in production, and the individual producer is not even considered. The amalgamation of capital has utterly dissipated the day-dream of our trade union friend. He is now beginning to see that his "chance" has gone glimmering—that he chased a rainbow, that he cannot hope to compete with a Rockefeller industrially or a Hanna politically. All about him he observes trusts and combines raising prices of products and lowering wages at will. All about him he sees a

Hanna or Croker, a Platt or Jones, big and little political bosses, dictating nominations and platforms and manufacturing "issues" without consulting anybody but their immediate henchmen. The political machine has become as thoroughly organized and compact as the machine he operates in the shop.

Meanwhile, through all this economic and political change, the thinking, intelligent mechanic has at least stuck to his union, and struggled and fought as best he knew how to wrest some temporary benefit from the capitalistic master. He could not well do otherwise. He instinctively understood that there was strength in union, that to stand alone was suicidal. He had listened to the Republican campaign orator promise glorious conditions if the tariff wall were maintained, and he saw the protected barons resort to lockouts, wage-cutting and the smashing of unions. He listened to the free silver orator promise unbounded prosperity to labor, and he saw the mine barons declare lockouts, secure the annulment of eight-hour and mining laws, erect "bull pens" and use every effort to destroy unions—the one and only protection against absolute slavery.

To learn all this has required time, the expenditure of vast sums of money, and object lessons galore. The conscientious unionists have viewed with some amazement and disappointment how legislators juggled with "labor bills"—either by pigeon-holing them or passing them in such form that courts found it an easy matter to declare them unconstitutional. In time of strike or lockout, the executives of nation, state or municipality, heralded far and wide before election as "the friends of labor," supinely called out troops, militia and police to do the bidding of employers. While blacklisting has been winked at by the powers that be, boycotting has been tabooed and is regarded as a conspiracy and crime in many states, punishable by fine and imprisonment. Besides the waste of immense treasure, these lessons have been costly in the spilling of blood, in the jailing of men, and in the sacrifice of human life.

To declare that these cold, grim facts have made no impression on intelligent trade unionists is to place them in the category with dumb brutes or inanimate things. Time was when the trade union was a stamping-ground for corrupt politicians, a market-place where votes were bought and sold. A dozen years back it was common to hear that certain "labor leaders" carried their unions in their vest pockets. City central bodies were an easy prey for the "workingman's friend," and a little "influence" and beer secured endorsements for any office-seeker. If perchance some union man was placed on a ticket and elected, one of two things happened. Either he "sold out," that is, betrayed,

his constituents in the matter of fighting for palliatives, or, where he did attempt to secure some advantage for his class, he was quietly relegated to obscurity by the bosses.

Thus we have passed through a bitter school of experience, and, as before stated, the trade unionist has and is still learning valuable lessons. The question asked at the beginning of this article may be answered with the statement that the trade unions are at last moving in the right direction. Distinct and important progress has taken place. In the first place, the unions are no longer endorsing machines for politicians, and where some local or central body still allows itself to be used by some unconscionable member, it is the exception rather than the rule, and such organization is regarded with contempt by all active unionists. Secondly, the old falsehood that "the interests of employers and employes are identical" is now seldom heard in union circles. Once that generalization was considered gospel, and men were sharply criticized in union meetings if they dared to express the opinion that the claim of "identity of interests" was out of harmony with the truth under the profit and wage system of capitalism. Thirdly, there is a steady growth of sentiment among trade union people that they must act together politically as well as industrially, and where there is any step taken by organizations it is usually a declaration for independent political action. Still better, where union men accept nominations on old party tickets they are coming to be regarded with suspicion as decoy ducks and bellwethers for the capitalist class. Fourthly, quite a few of the national organizations have declared for the downfall of the capitalist system and the institution of socialism, and many more of the unions (in fact, nearly all of consequence) have declared that it is the duty of their memberships to take up the discussion of economic questions for the good and welfare of the organization and the labor movement as a whole.

There are other facts that might be cited to show that organized labor is making rapid strides along the right line, but those mentioned will suffice at present. It might be added that trade unions have become somewhat progressive despite obstacles of every kind. The frowns of capitalists, the flattery of politicians, the dishonesty and cupidity of members, and the open hostility of some who call themselves socialists are incidents that have been encountered during the march forward. These thorns in the pathway have, of course, had a discouraging effect at times, but the enmity and opposition has likewise had a tendency to quicken the pace of the labor army and make it more compact and disciplined.

To mention the various national, state and local unions that

have joined the progressive labor forces, and to quote from their preambles, constitutions and resolutions, would only tend to weary the reader, and, therefore, it is only necessary at this time to recall a little recent history as proof that organized labor is moving forward. At the Detroit convention of the American Federation of Labor, last December, resolutions were adopted recommending "that the various central and local bodies of labor in the United States take steps to use their ballots, their political power, an independent lines, as enunciated in the declaration of principles of the American Federation of Labor." This action was taken after it was shown that lobbying for labor laws in Congress and State Legislatures accomplished little if anything. Some of the most influential delegates admitted the logic of the socialist position and predicted that the time is rapidly approaching when a plain declaration for Socialism can be made without injuring the unions by frightening the ignorant members, who are nevertheless necessary in carrying on economic struggles. The Federation took even a more advanced position, declaring that the trusts and capitalistic combinations are the natural product of the capitalist system, and that they cannot be destroyed by enacting laws against them. The rank and file is warned to pay no heed to political demagogues who promise to disrupt the capitalistic combines, lest the laws will be used to break up unions, and the convention went on record as calling upon "trade unionists of the United States, and workingmen generally, to study the development of trusts and monopolies with a view to nationalizing the same."

This call practically places the A. F. of L. in the position of endorsing the collective ownership of the means of production. It opens the door to socialism.

The writer is firmly of the opinion that the Federation and many national unions would have declared in favor of socialism some years ago if certain fanatical leaders, so-called, had not kept up a running fire against trade unions, and made loud boasts and bluffs of disrupting the "pure and simple" organizations. Ten years ago one "leader" made the ridiculous assertion in the convention in the same city that "we will cram socialism down your throats!" That ill-advised and nonsensical threat has proven costly. Just as one can drive a horse to a trough but cannot force him to drink, so the average self-respecting human being will resist the attempt of any one to "cram" anything down his throat. Had there been some little diplomacy used, had an honest and persistent and tolerant effort been made to educate the workers, the American labor movement would now undoubtedly be abreast of the European movement.

However, we profit by the mistakes that are made, and I am convinced that since the overthrow of bossism in the socialist movement, and the sincere acknowledgment that was made by the Rochester convention of the S. L. P. that errors had been committed, a better understanding will be had between the socialists and trade unionists of this country. Indeed, the political and economic organizations of the working class are drifting together, and as the development of labor-saving machinery and capitalistic combines must go on, the new socialist movement will naturally gain strength and support from the trade union forces.

M. S. Hayes.

EDITORIAL

SALUTATORY.

It was a little over fifty years ago when the economic development of that time caused the vague longings for freedom that had ever pervaded the minds of the workers, to take form in what has come to be known as modern or scientific socialism in distinction from the old or Utopian socialism. These doctrines, once formulated, spread in the wake of the capitalism that gave them birth until today they are geographically as universal as the "world market" of modern commercialism, while on the intellectual side there is no sphere of human thought exempt from their influence.

American life and society has been one of the last to be affected. Owing to the almost marvelous extent of its natural opportunities, it was many years before man's cupidity could neutralize Nature's bounty and sufficiently monopolize the sources of existence to create a dependent class. But at last the seemingly boundless prairies, exhaustless mines and limitless forests were divided up as private property among the class of owners. When this had been accomplished there was nothing left for those to do who had not shared in this first distribution of booty but to sell themselves into wage slavery to the owning class. Then when the proletariat and the bourgeoisie with the class antagonisms and wage slavery had appeared socialism began to grow and develop.

The ideological system of socialism had been here long before Carl Marx was for many years the European correspondent of the New York Tribune, and the International Workingmen's Association had its headquarters in New York for some years prior to its final dissolution. More significant yet, during all the years that capitalism was welcoming in the name of freedom the workers of every land who could be induced to come here and assist in forcing down the price of labor power, there were many of the revolutionary exiles of Europe who sought a refuge in America. and brought with them the ideas for which they had suffered at home. In all too many cases it must be admitted that those who had been sufferers for the cause of labor at home forgot their principles when they felt the lessening of the economic pressure and thousands will be found this fall shouting in the ranks of the Democratic and Republican parties who once marched beneath the red flag of socialism in their native countries.

The few who did not forget their early principles formed little socialist clubs in a few great cities and for many years were as

"voices crying in the wilderness" of American capitalism. The self-confident Yankee laughed them to scorn and sneered at their "foreign doctrines." At last there came a time when the prophecies of these early apostles of socialism were realized. The American laborer began to himself feel the suffering that has ever been the lot of the proletarian. Shut out from soil and factory he was made conscious of his enslaved condition.

Then it was that socialism began to grow. Unfortunately we were in the beginning too full of our own conceit to learn from the experience of others. Instead of accepting the time-tried doctrines which already had a literature of thousands of volumes, American socialists must perforce walk the whole way from the wildest Utopian nonsense to the developed science. So it has come about that American socialist literature has been a byword and a laughing stock among the socialists of other nations. The most ridiculous books, based upon long exploded errors, have been hailed here as the gospel of a new redemption and been circulated almost by the millions.

But economic development has already forced economic theory to develop beyond this stage and the socialists of America are now beginning to seriously and intelligently study industrial problems. The result has been that there has been a decided improvement in the character of the literature on socialist questions. There is less of the attitude of absolute certainty that whatever is American is *prima facie* better than anything imported. There is now a willingness to examine into what is going on in other countries and translations are rapidly being made of the leading socialist works of other languages.

Indeed so far has this now gone that there are some signs of what might be called a reaction, in so far that there is a feeling of the inadequacy of translated works for use among American laborers. Socialism is but the philosophy of capitalist development and since it is an undisputed fact that American capitalism is further advanced and more clearly developed than that of any other nation the American socialist may be pardoned if he believes that that capitalism should in time produce the most clear cut and developed socialism. At the very least he knows that illustrations drawn from American experience need be no less scientific and are much more effective for propaganda than those drawn from European experience.

Under these circumstances it is felt that the time is now here when the American socialist movement needs and is able to maintain a magazine of scientific socialism, and the *International Socialist Review* has been established to fill that need. It will at all times have three principal objects in view. In the first place we shall seek to counteract the sentimental Utopianism that has so long characterized the American movement and give it a dig-

nity and accuracy worthy of the position it is destined to attain in the world wide advance toward the co-operative commonwealth. In the second place we shall endeavor to keep our readers in touch with the socialist movements in other countries, and through the very able corps of foreign socialist writers and thinkers who have kindly agreed to contribute to this end, bring together each month the work and opinions of the best thought of the world on the philosophy of socialism. Finally, but perhaps most important of all, we shall aim to secure the interpretation of American social conditions in the light of socialist philosophy by the socialists of this country. To do this we invite the co-operation of all who feel that they have some contribution to offer to this end. While the editorial policy of the "Review" will be in accordance with the principles now universally accepted by the socialists of the world of independent political action by the laborers upon the basis of a struggle of classes with divergent material interests, with the ultimate object of securing the common ownership by such laborers of the means of production and distribution, nevertheless our columns will be open at all times, as far as space will permit to intelligent students of social questions whether agreeing with this position or not.

EXPANSION AND THE CHINESE QUESTION.

It is a characteristic of capitalism, which it shares with all life, that it must grow or die. Resting upon the exploitation of the producing classes, who continuously receive little more than their subsistence, the improvement of productive processes brings to the ruling possessing classes an ever larger mass of unearned products. These cannot be resold to the laborers who produced them. Hence a market is sought among a less highly developed society, where these finished products can be exchanged for raw material. Because England has been fairly successful in this policy she has become the "workshop of the world," and by a careful manipulation of her working class at home and her markets abroad has been able to maintain a semblance of local tranquility while promoting "civilization" in other lands.

Germany's capitalist class trained her workers in her marvelous system of technical schools until they were able to supply their employers with a surplus of goods for this same purpose, and Germany, with Italy, Belgium, France and Austria sought to carry the "torch of civilization" into those places where cheap raw material could be obtained for the goods her workers had created for their employers. No sooner was Russia awakened from her mediaeval slumber than her ruling class also discovered that while the condition of the laborers remained the same they were able

to create much more wealth for their masters than ever before and she too started out to hawk the wares of her ruling class among the less developed people of Northern Asia. Japan, with that rapidity of imitation that has ever distinguished her as a nation and as a people, "caught on" in remarkably short time. Almost before the observer had time to realize that feudalism was going, fully developed capitalism was enthroned and a policy of isolation in foreign affairs had been transformed into one of "imperialism and expansion."

Up until a very short time America had seemed to present the appearance of an exception to this rule. While it was as fully developed in capitalism as any nation in the world it had always preached the doctrine of non-intervention in foreign politics. But a closer examination reveals the fact that this is one of those exceptions that obey the rule in its closest detail. The capitalists of America have always had, in the Western frontier, an almost exhaustless "foreign market," where finished products could be exchanged for raw materials in the same way as in any far off savage land. But this situation came to an end. The frontier disappeared beneath a series of those waves of desperate expropriated humanity that are ever rolling across the troubled sea of modern capitalism. All the world now knows what followed. The traditions having served their purpose were now cast aside and America started upon her policy of imperialism.

This gave a new appearance to the whole international situation. To understand the "foreign policies" of the great capitalists of today take a Mercators Projection of the world and study it carefully. Note, not the "thin red line," but the great blood-stained band that marks the lands now in the grip of English capitalism. Note how the Sahara is girt round with a vari-colored girdle of the various European possessions. It will soon be seen that the "hunting grounds" of the capitalists of the future must be confined to a very limited area.

Indeed there is but one great expanse of territory on the planet not yet invaded. Surrounded by impassable mountain chains and protected by a fanatical wall of custom the great Chinese empire has managed up to the present time to repel the assault of this world empire of exploitation.

But this can continue no longer. The great capitalist nations of the world are gathering for the final feast. China offers an opportunity for further exploitation and that is the only point that will receive any consideration. The hands of the possessing class of the world are laden with plunder taken from their wage-slaves at home, which must be disposed of if wage slavery and exploitation are to continue.

Turn again to the map and notice how this buzzard flock are gathering for their feast. At the North the Russian bear is drawing ever closer. Crowding in between him and his proposed

prey is little Japan, grown bold and brave because of her recent admittance to the robber band. British India on the Southwest is watching British warships on the East for the signal that the time has come to spring. France and Italy at the South stand watching with Germany and Austria like vultures round a corpse the hyenas are devouring, hoping that in the confusion of the scramble some morsels may fall to them.

This was the situation a year ago. But now another has been added to the pack that is gathering for its unsavory feast. Just off the Southeastern coast of China there lies a group of islands known as the Philippines. Is it necessary to explain further how it "just happened" that when the Maine blew up in Havana harbor Admiral Dewey and the American fleet were in the only port on the entire globe where, when England should order them out, their "only hope" would be to take the Philippines.

The Morgans, the Vanderbilts and the Rockefellers were already engaged in connection with a European syndicate in "civilizing" China but they needed "their government" near at hand to "protect the rights of private property" when the time should come to strike.

The question was now only of the time to move. Russia had thrown an iron band across a continent to fasten her hold at the North. She had secretly brought in large bodies of troops and was eager to strike. But America and England were busy on other plundering expeditions and could not leave at once. America finished first but was not willing that the feast should begin until England was ready. Russia grew impatient and showed signs of attacking the meal before the other guests arrived. Fortunately the United States recalled some old claims against Turkey and began to press them with a great excess of bluster. Russia took the hint and sat down and waited.

Then Pretoria fell and England was free to move. The time had come to strike.

Meanwhile internal affairs in China were working to the same end. Two parties had appeared. One of these was beginning to feel the influence of capitalism and had called itself the "reform" party. It was led by the young emperor and strengthened by foreign intrigue. Missionaries, railroads, telegraphs, and opium traders assisted in fomenting discord under pretense of introducing "civilization." Finally this led to open hostilities. The "Boxers" appeared. What would have happened had not this particular organization acted it is impossible to say. It might have taken a few weeks or months longer before some other means would have been found to excuse the entrance of foreign troops.

One phase of the result cannot be in doubt for one moment. The Chinese empire will be thrown open to capitalism. Just how much of a resistance they will be able to make no one can

possibly tell. Whether they will prove to be the same homogeneous, jelly-like social organization that offered practically no resistance to the march of European troops in 1857 or whether capitalism has not yet been able to differentiate, organize and strengthen this organism until it can to some degree wield the enormous strength it possesses no man at the present time is able to foretell. But the ultimate result as to China is certain, the relations which the capitalist nations of the world will play in the matter is still a difficult one to foretell.

A glance at the makeup of the predatory band may throw a little light on the situation. They fall at once into two classes according to the stage of capitalist development attained. On the one side is a group headed by the United States and closely followed by England and Japan who have run the full gamut of capitalism. The remaining nations headed by Russia as least developed in concentrated capitalism form another group which, while united on the general principle of capitalism still have somewhat divergent interests from the group first mentioned in matters of detail. They are in much the same position as the small shops and great department stores of a great city. All agree that private property and individual ownership and competition are absolutely necessary for the continuance of "civilization," but when it comes to the application and practical working out of those principles the little shops are forced into a life and death struggle with the department stores. Following out this line of thought it is safe to say that when fight comes upon the division of the plunder after the crushing of China the contending forces will be lined up much as here suggested.

THE CHICAGO AND ST. LOUIS STRIKES.

Chicago and St. Louis have been the storm centers of the labor world during the month just past. The lockout in the Chicago building trades began Feb. 5th, and at the present writing remains unsettled. For number of days labor and dollars of money lost, industry blocked and interests involved it already ranks among the greatest of the contests of labor, being only exceeded in these regards by one or two other great struggles. This whole contest will be thoroughly treated in our next number by a socialist writer who from the very beginning has had a better opportunity to see and understand all its phases than any other single person, and at the present time we shall confine ourselves to a few salient facts and observations.

At the beginning there were various points of contention, but as time passed these all gave way to one main point of contention,

the question of the principle of federated trades. All the building trades of Chicago are federated for such common action as may be thought necessary in the Building Trades Council. The contractors insist that this body disband as a condition to any settlement whatever.

This is, of course, an absolutely impossible condition for the laborers, the concession of which would not be a settlement at all, but a crushing defeat. It would mean the setting back of labor one step in the long upward struggle of centuries; the abandonment of one vantage point gained at terrible cost. The individual union is almost if not quite as helpless in the face of the intensely concentrated capital of today as was the individual workman before the capitalist employer of a generation ago. This was especially emphasized in the Chicago struggle as the employers were all united in a Central Contractors' Council. The fact that the contractors never dreamed of dissolving their central body proved the purely class nature of their demand and showed that the dispute was one that could be settled only by a test of strength.

Unfortunately there was one fact that gave apparent strength to this demand. Owing to the "pure and simple" position of the American trade unions, all labor politics are debarred, and Nature evidently abhorring a political as well as a physical vacuum, capitalist politics invariably dominate those unions pretending to keep themselves entirely free of politics. So it must be admitted that some Democratic and Republican stool pigeons of a most despicable character had gained entrance to the Building Trades Council. Here again it must not be overlooked that it was the contractors' class who were responsible for these men and who could alone gain by their presence within the labor organizations. The entire insincerity of the contractors' position was shown when the question was raised as to whether they would consent to a reorganization and the substitution of other men for these objectionable characters. To this they refused to listen and insisted upon the unconditional dissolution of the federal body. So the struggle has gone on up to the present time. One of the most interesting phases of the strike has been the attitudes taken by the city government. Carter Harrison, the present mayor of Chicago, has always posed as the "friend of the workingmen" and it has been customary for the unions to endorse the candidates upon the Democratic ticket. Indeed so far had this gone that many of the unions were looked upon as practically Democratic organizations.

Many of the more influential and active trades-union leaders were given places in the Harrison administration. The result of all this was that politically the entire union movement of Chicago was debauched by the influence of capitalist politics. To be sure it was necessary for the Democratic politicians, if they wished to

maintain their hold to keep up a pretense of friendliness to the laborers—but this never meant that anything substantial should be granted.

During the early portion of the strike this pretense of friendliness was kept up. The mayor even went so far as allow the police force to overlook cases of assault on non-union men. But as the contest continued the lines of the class struggle became more evident. The press soon arrayed itself with the employers and began to send out the most exaggerated stories of the "outrages" being perpetrated by the strikers and to demand that the police be used to annoy the pickets. For a time the mayor and city administration was still able to preserve an appearance of unfairness. Then the stories of violence multiplied and at last open threats were made that the militia would be brought in. Mayor Harrison saw that it was time to move. When he once started he made a "clean break" with all pretensions of friendliness for the unions. Almost the first act was to organize a parade of the police force of the city, accompanied very conspicuously with the machine guns which are owned by the city to be used in "case of riot," which has long ago come to mean in case laborers strike. This parade went entirely out of the route usually taken by parades in this city in order to pass the headquarters of the trade-unions. Then there began to be a "cleaning out" of those labor leaders, who, as office holders in the municipal government had acted as the stool pigeons to keep the laborers in line politically. Finally Harrison issued his now famous order to the police justices that when any union man should be brought before them for any offense connected with the strike the justices should "give them the limit" in the way of punishment.

Various efforts have been made in the way of reconciliation and a great deal of nonsense talked about bringing in "the public" as an impartial arbiter. It is needless to say that all of these attempts failed as it was soon discovered, as the socialist had told them from the beginning, that the "public" is composed of two parties with divergent interests and in short, that the class struggle was a fact and not a theory.

Another delusion which is very prevalent among those who discuss socialism in connection with the strike is that the disorders that have accompanied the present movement and especially the errors that have been committed by the trade-union officials in some way argues against socialism; and it is a favorite bourgeois reply to socialist arguments to relate a string of real and imaginary abuses committed by the Building Trades Council with the air that if this indictment could only be made strong enough the socialist position would be overthrown. They fail to understand that what the socialist is arguing against is the conditions that render necessary such conflicts with all the abuses found on either side. That violence is an inevitable accom-

paniment of strikes is something that the socialist saw long ago, and that such violence must invariably militate to the disadvantage of the laborers is a story that he has well-nigh grown tired of telling, but this does not mean that he believes that the laborer should meekly allow himself to be reduced to a state of unbearable slavery but simply that the manner of fighting must be transformed and that the scene of conflict must be changed to the political field, with the object, not simply of gaining a single point in a continuous battle, but of ending the whole war with one decisive victory.

The St. Louis street car strike, like the one just described, started with various subjects of dispute and soon narrowed down to a question of the recognition of the right of the men to act together. From the beginning this strike was marked with acts of violence. However much this may be deplored the fact remains that so long as capital exists it is impossible for any large strike to continue for any length of time without the accompaniment of violence. This is especially true when lines of transportation are concerned. When non-union men are so conspicuously engaged in treason to their class as they must be when they run street cars or railroad trains in time of strike it would require a stage of human development far above that of capitalism to produce the sort of human beings that will stand idly by and see their means of living taken away and not resort to violence. But before commenting further on the subject of violence during strikes a few observations are necessary. In the first place it is well to remember that the press is in the control of the present ruling capitalist class and always exaggerates any violence that may take place and in a great many instances, notably during the great railroad strike of 1894, manufactures out of whole cloth long and elaborate stories of acts of violence that never occurred at all. This in itself is sufficient proof of which class it is that deserves violence, "The wish is father to the thought."

It must also be remembered that in every great city capitalism has created a class of desperate despairing human beings who, while an essential product of our present civilization are forced to prey upon it to live. These denizens of the slums, the "lumpen proletariat," the criminal classes, are the natural allies of the capitalist class and in every contest between the employing and the employed class, whether on the economic, political or military field, they are of the greatest assistance to the capitalists. These were the ones who at St. Louis committed the outrages, so far as such outrages actually existed, upon helpless women and defenseless men.

In its attempts to put down these outrages the uselessness and injustice of the capitalist state even to perform its function as a "preserver of law and order," a "Polizei Staat," was brought into

full prominence. Not only were they unable to reach and punish the actual perpetrators but when they finally did attempt to punish any one for these outrages, their vengeance fell upon three little girls, twelve and fourteen years of age, who were sentenced to imprisonment for two years. These were almost the only persons reached and punished by the regularly constituted machinery of the law during, what, if we are to believe some of the capitalist press of this country was practically a two weeks reign of terror. It might be said in this connection that the children so punished had a long "bill of wrongs" against the society that made them the inmates of a penal institution. Two of them were half-orphans and the father of one of these had been rendered a helpless cripple with but one leg by an accident such as our modern industrialism compels millions of laborers to risk every day of their lives. None of them had received any opportunities of education worthy of the name and all were working at the disgusting, degrading, murderous occupation of tobacco stripping at wages of one, two and three dollars a week respectively.

There were other peculiar and interesting features developed during the progress of the contest. The mayor belonged to one political party while the state government was controlled by the other, and it so happened that St. Louis is in the ridiculous situation that is so common in Europe but rare here, in that its police are under state control.

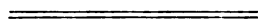
Thus it was possible to "play politics" and pretend to cater to the laborers while leaving capitalist interests intact. The state authorities declared on the side of the laborers and refused to use the police as "efficiently" as the employers wished, while the governor refused to call out the state troops.

So it became necessary for some other action to be taken, and a "posse comitatus" was formed under the direction of the sheriff. Warrants were issued for 2,500 "good citizens" to take up arms for the preservation of peace. They were given repeating shot guns and sent out to patrol the city. The result was easy to see. On the tenth of June a small boy threw a stone at a passing car. Immediately afterward a revolver shot was heard. Who fired it or at what no one now pretends to know. At any rate he hit no one. But this shot was taken as a signal for the deputies to empty their murderous weapons into a street full of people. Three strikers and one bystander were killed and seven other persons wounded. By any standard of judgment save that of capitalist expediency this was murder.

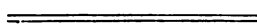
From then on the history of the strike is short. The men were gradually crushed to one side and the cars are being operated by non-union labor. In the meantime the boycott has been tried as it was in Cleveland, Brooklyn, and other cities wherever there have been street car strikes. In this respect the St. Louis strike has duplicated the experience of those cities. There has been

the same fierce denunciation and persecution of those who dared to violate the boycott, the same attempt to extend its influence secondarily by boycotting all those who had any connection with those who rode on the street cars, the same attempt at competition with other vehicles and in all probability the future will see the same gradual fizzle in the end.

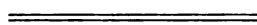
It is a slow and painful way to learn but it seems that it is only through repeated experiences of this sort that the laborers can be brought to realize that on the economic ground they are fighting according to rules laid down by their opponents and on ground of their enemy's choosing.



Le Laboureur, the organ of the Belgian socialists for work among the farmers, says of the late elections, "The results of the elections of the 27th of May shows a "frightful increase" (from the clerical point of view) of our ideas among the rural population. The Walloon agricultural districts distinguish themselves especially by the great increase in the number of socialist votes obtained by the socialist candidates in comparison with the figures of the general elections of 1804."



Abbe Daens, the leader of the Christian Socialists of Belgium, has decided to issue a Flemish Socialist daily to be sold at two-fifths of a cent per number and called "Le Democrate Chretien."



Full returns have not as yet been received regarding the Italian elections but the following is the result of the first ballot as published in Le Peuple of Brussels:

Ministerials (Doctrinaires)	250
Constitutional Opposition	120
Radicals	30
Republicans	30
Socialists	30

In the former house the socialists had only thirteen seats so this means that they have more than doubled their strength. The position of the ministry is even more precarious than before.

A communication has been received from Dr. Alessandro Schivi too late for publication in this issue, but which will appear in the August number, giving full details of the Italian elections.

TWO BIG BARGAINS

We herewith present two lists of Reform Books, each containing over two thousand pages of desirable and timely matter, printed and bound in good shape, feeling assured that reformers will recognize the real merits of our offers.

PAPER COVER BOOKS IN THE TWENTIETH CENTURY LIBRARY

- THE ANARCHISTS.** A picture of civilization at the end of the Nineteenth Century. By John Henry Mackay. Translated from the German.....50 cents
- THE HUMAN DRIFT.** United intelligence and material equality. Illustrated. By King C. Gillette. *This book shows how the people can combine and compete with the trusts*.....50 cents
- WHAT'S TO BE DONE?** A Romance. Translated from the Russian of Tcherny-chewsky.....50 cents
- HIS BOLD EXPERIMENT.** A thrilling, realistic novel. By Henry Frank.....50 cents
- RUSSIAN TRAITS AND TERRORS.** A faithful picture of the Russia of to-day. By "Lanin".....85 cents
- LIVE QUESTIONS.** Including our Penal Machinery and its Victims. By John P. Altgeld.....85 cents
- THE BLIND MEN AND THE DEVIL.** By "Phineas".....50 cents

REGULAR PRICE FOR 7 BOOKS, \$2.70

SPECIAL PRICE, \$1.75

PAPER COVER BOOKS IN THE SOCIAL SCIENCE LIBRARY

Price, 25 cents each

- SIX CENTURIES OF WORK AND WAGES.** By James E. Thorold Rogers, M. P. Abridged with charts and summary. By W. D. P. Bliss. Introduction by Prof. R. T. Ely.
- THE SOCIALISM OF JOHN STUART MILL.** The only collection of Mill's writings on socialism.
- THE SOCIALISM AND UNSOCIALISM OF THOMAS CARLYLE.** A collection of Carlyle's social writings, together with Joseph Mazzini's famous essay protesting against Carlyle's views. Vol. I.
- THE SOCIALISM AND UNSOCIALISM OF THOMAS CARLYLE.** Vol. II.
- WILLIAM MORRIS; POET, ARTIST, SOCIALIST.** A selection from his writings, together with a sketch of the man. Edited by Francis Watts Lee.
- THE FABIAN ESSAYS.** American edition, with Introduction and Notes. By H. G. Wilshire.
- THE ECONOMICS OF HERBERT SPENCER.** By W. C. Owen.
- THE COMMUNISM OF JOHN RUSKIN, HORACE GREEBLEY AND OTHER PIONEERS OF AMERICAN SOCIALISM.** By Charles Sotheran.
- NEWS FROM NOWHERE.** By William Morris.
- SUGGESTIONS ON GOVERNMENT.** By Samuel E. Moffett.

REGULAR PRICE FOR 11 BOOKS, \$2.75

SPECIAL PRICE, \$2.00

These Prices Include Free Delivery by Mail.

THE TWO LOTS—18 BOOKS—\$3.50

The Special Prices are good only for the next thirty (30) days. Get our Catalogue of the Humboldt Library of Science, containing the best works of all the scientists at popular prices. Mailed free to any address. :::::

The Humboldt Library, 64 Fifth Ave., New York

Mention this Magazine.