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# Marx and Modern Capitalism.

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# Marx and Modern Capitalism.

By J. T. WALTON NEWBOLD, M.A.

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THE Marxian believes that the clue to the current social order, moral codes, ethics, laws, and politics of any particular period is to be found in the means by which the people obtain their livelihood, the tools they use and the way in which those tools are owned and controlled. Likewise he bases his whole programme of social re-organisation on his conviction that material evolution is making ready within the womb of the present the conditions on which alone can be reared the fabric of social ownership and which alone holds out the hope of obliterating class antagonisms, wars, and political oppressions.

Through all the vicissitudes of this world struggle, through the temporary revival of class despotism and the abeyance of civil liberties through the chaos of political life and the anarchy of international relations, through this appalling time when the world seems to be hurtling into barbarism and the capitalist democracies make use of the vilest methods of feudal tyranny, the Marxian Socialist feels within him the glow of an increasing hope, and reads in these signs of dissolution and of ordering anew, the promise that the world is getting ready for Social-Democracy. He stands upon the solid rock of the materialist conception of history, and as he hears the groaning and cracking of the social ice-pack he knows that the dark, sad winter of capitalism is drawing to a close and that the currents of change betoken the coming of the springtide of the world's joy.

Social systems do not melt away imperceptibly; vested interests do not acquiesce in their overthrow or assist in the process of their own undoing; owning and governing classes have no room for the ethics of self-denial and humility when the hour of revolution is upon them. The tumult of the present is evidence that something more epoch-making than



the ordinary is in progress, and the lessons of the past tell us clearly enough that it is a vast social upheaval that we are experiencing.

To determine what are the appropriate methods for Socialists to employ at this juncture alike in educational propaganda, in industrial organisation, and in political policy, it is necessary to understand the nature and tendencies of present-day capitalism. And to do this, in turn, requires us to keep a most careful watch on every vital transformation in the methods and organisation of production.

### **Another Industrial Revolution.**

Amongst other things this war has proved to be a gigantic test of the capabilities as well as a stock-taking of the resources of modern industry. It has been a colossal trial of efficiency, in which have been revealed alike the weakness and the strength of the system. The industrial structure of every country at war has been strained to the uttermost to supply the requirements of its government and people. For once, a continuous demand has been maintained which, contrary to all the experience of the past, has become larger and larger the more fierce has been the competitive struggle. Industry has had to produce faster and ever faster every kind of raw material and many kinds of finished articles. It has had to increase the production despite the fact that it has had a constantly diminishing reserve of skilled and accustomed workmen. It has had to enlist in its depleted ranks tens and hundreds of thousands of white women and young persons, and men of the barbaric as well as the agricultural peoples. It has called into existence a new proletariat, a new reserve of labourers, composed of a class of persons who have never before minded a machine and seldom handled a tool.

For these inexperienced workers and to augment output, capitalist industry has needed to add to the number and variety of its tools. It has required to instal machines which turn out a great number of parts all of the same shape and size, and it has had to organise a type of factory where all these parts can be sorted and fitted together into the finished article. It has had to share out the manufacture of the parts of a shell, or an engine, or whatnot, among scores and hundreds of shops, all of them independent before



the war but now co-operating instead of competing. The technical basis of capitalist concentration of industry has been provided and, in the hurry and scurry of making the apparatus of the war that was going to still for ever the ghost of Socialism, the capitalists have given to it the body and substance wherein its soul can and must become real.

Again, as the nation in arms, and, latterly, the alliance of nations in arms, through a common financial control and a single purchasing agency, have replaced the thousands, if not millions, of small, unsystematic, unrelated orders for all kinds of commodities by a combined system of orders, capitalist industry has become, in increasing measure, one gigantic service supplying the needs of the greater part of the civilised world.

The governments—who are, after all, but the executive committees of the owners of land and capital masquerading in the guise of the “impartial” State as the disinterested “public” authority—have compelled the “captains of industry” to put their houses in order, have taken over the direction of great sections of their businesses, opened up new departments, appointed controllers, and have, to a varying degree, abolished or restricted private management and enterprise. They have permitted the capitalists to go on drawing profits out of the undertakings which they are permitted to continue to own, though these persons no longer perform, or are even deemed to be performing, a useful function in these nationalised, semi-nationalised and demi-semi-nationalised concerns. The private capitalist owns, but the organised capitalists—the State—have come to control industry. This is an important stage in the social revolution which follows logically and naturally upon the transformation which has been taking place in the technical basis of wealth production..

The war, which for us is a dramatic and revolutionary episode in the evolution of economic and political systems, is by no means the shipwreck of our hopes, but a development which we must seek to understand in order that we may turn its results and its lessons to the advantage of the working class. To those who object to this attitude of mind let me say that for us there can be no ethic and no ideal higher than the interest of the revolutionary working class. That is the cardinal principle, the present day truth which we have to impress upon every section of the Labour and Socialist Movement. That is the philosophy of Socialism on which



alone we can depend if we are going to build up a vigorous and class conscious fighting force. Having that to strengthen our morale, to impart courage, and to emancipate our minds from the subtle influence of middle-class thought and prejudice, let us see how the events of the last few years have affected "the prevailing mode of economic production and exchange," which, Marx said, "will inevitably modify every other branch and department of human life, political, ethical, religious, moral, etc." Let us study the vast improvements in the technique of production and in the mobilisation of manufactures which have been stimulated and expedited by the organisation of the nation's industries for war and for war preparations. Thereby may we bring home to the world how their conditions have been changed and what part they may and must play in the emancipation of themselves as individuals and as a class.

### **Naval Armaments and Industry.**

There has all along been the closest connection between experiments and devices for weapons of war and invention and improvement in industrial processes. Gun manufacture in the 14th and 15th centuries gave to the world the method of casting iron, and in 1856 Bessemer, in endeavouring to produce a stronger iron for cannon, hit upon the converter process of making steel on a large scale, thereby rendering wrought iron almost obsolete for heavy engineering work, and laying the foundation of the modern steel industry with all its wonderful achievements and its unforeseen social and political consequences. This invention brought together the artillery maker and the steel producer. The use and improvement of armour plate called for great research into metal alloys, stimulating new metal manufactures, such as nickel, phosphor-bronze, tungsten, etc., and combining these with the original iron and steel trade. Then, the introduction of tougher steel, made available by reason of this blending of metals, necessitating the construction and use of powerful forging machinery, presses, heavy machine tools and high-speed tool steels. All this resulted in alliances and combines and amalgamations between ironstone and other mineowners, ironmasters, steel producers, tool makers, metal manufacturers and others. Steel works made railway material, girder work, pipes, tubes and boiler plates, whilst railway contractors, bridge builders, locomotive and marine



engineers began to interest themselves in the manufacture of iron and steel, either by establishing new departments and branches of their business or, more often, by agreement with and shareholding in existing undertakings.

Sir Charles Siemens, who made railway material for the G.W.R., succeeded in producing for the Admiralty a steel suitable for naval shipbuilding, so that warships and, afterwards, merchant ships began to be built of Siemens steel rather than of iron. Improvements in explosives resulted in the forging of more powerful and more rapid-firing artillery and in the making of a more destructive shell, and these developments created a demand for the more extensive use and strengthening of armour-plate. Producers of ship steel and steel armour purchased shipyards and commenced to build swift and heavily plated warships. The craze for building swift torpedo craft and greyhound cruisers resulted in the adoption of the turbine engine, which was next applied to ocean liners, and made the marine engineers seek after better, stronger and more economical boilers, tubes, blades, etc.

The application of hydraulic and electric machinery to the working of the guns, mountings and other parts of a warship, and the general substitution of the light engine for hand labour on capstans, etc., brought electrical plant, cable, dynamo, pumping and other engineers into line with the naval contractors. The furnishing of luxurious trans-Atlantic steamships caused shipbuilders to combine with woodworking and furnishing firms, just as the use of water-tube boilers brought the tube-makers into relationship with the marine engineers, and the adoption of oil fuel resulted in a connexion between motor builders and shipbuilders.

The equipment of huge steel plants, shipyards, repair bases, harbour schemes, railways and power-works has linked up structural steel contractors, crane and bridge builders, cable and wire makers, cement mixers, electrical engineering firms and explosives and chemical producers into vast syndicates and associations of interests which, to all intents and purposes, form one industry or group of industries, one employer or combination of employers connected with the iron, steel, shipbuilding and engineering employers.

Now, the submarine menace, following upon the Government chartering of liners and cargo vessels for transport and supply services, has made naval shipbuilders into mer-



cantile builders and mercantile builders into warship contractors. The line of demarcation has become so fine as almost to have disappeared. The Government, as the Admiralty and the Shipping Controller, is "pooling" the national shipbuilding, marine engineering and kindred resources, laying out new national dockyards under private management and placing old private dockyards under national control, until the change in methods of production has become reflected in a change in management, in property relationships, in regulations, in laws, in workmen's conditions and in social arrangements.

### **Our Debt to Conscription.**

The conscript armies, which the improvement in the means of communication, i.e., roads and railways and steamships, has made it possible to place and maintain in the field, have even more profoundly affected industry than have the navies of the world. They have only recently come to influence this country at first hand, but they have had a tremendous influence in the United States and in Germany. The incessant warfare in the West, together with the requirements of the trapper, gave the United States from the first a musket and rifle manufacture. Then the Civil War between armed peoples using the new railways, the new machinery and the new iron industry of the last century in a new world under new conditions, resulted in the wholesale adaptation of iron tools to war work. Large bodies of men could only be held in check by speeding-up the output of bullets from the rifle, hence the Gatling machine-gun, with several barrels and a single trigger. Large bodies of men required numerous stands of rifles, made exactly alike and all using cartridges exactly alike. These could only be made quickly and in great numbers by division of labour, by standardising processes and by the use of accurate machinery. The Americans and the Germans required many millions of rifles, magazine rifles, machine guns and thousands of millions of cartridges. The machine tool makers, the makers of sewing machines, of agricultural and other implements supplied the requirements of their rulers. The rifle industry reacted on the machine trades, and the requirements of the armed peace that followed the Franco-German War thoroughly established the connexion between the machine-tool and rifle manufactures of Germany and New



England. Improvements in all types of field artillery, in machine guns, in rifles as well as the adoption of new metallic cartridges and smokeless powders; the continuous increase in the size of armies and in the variety of armaments; the enormous demands of quick firing guns on field transport, and of the hundreds of army corps on the supply services of their governments; all the inter-play of offensive and defensive measures combined to bring into one infinitely complex system the whole manufacture of the machinery of land warfare.

The steel and steel alloy producers, the light machine tool makers, the scientific instrument experts, the carriage, cycle, motor-car and locomotive builders, the explosives and chemical producers, the electrical and civil and mechanical engineers, the cable and wire drawers, these and many more have to bring together their several and multifold services to construct field, fortress and light artillery, machine guns, automatic rifles, all sizes and kinds of ammunition, explosive charges, transport wagons, roadways and field railways; to plan and prepare fortifications and to lace these together with all the modern means of transmitting messages; to provide for the aerial scouts, the gas and fire jets, and to attend instantly to the infinite requirements of up-to-date military warfare. Into this whirlpool of industrial combination this country has been drawn, and is now racing, together with her Allies, in as many years as the Germans took decades towards that co-operative control, that centralisation of capital, that complete social ownership and direction of industry whereon alone we can erect the Socialist Commonwealth. Under inter-governmental control the production of wealth and services is losing steadily its competitive and anarchic character and is becoming a system of international production for the use of a league of governments. But the league of governments, masquerading as a league of nations, will continue to be the international general staff of the master class, organised to increase the efficiency of the exploiting system and to defend the sovereignty of its owners and directors.

### **Coal and Power.**

We have shown above how iron and steel capitalism have been beaten on the terrible anvil of the War God into the reinforced platform and centre pillar of the Co-operative



Commonwealth. Now, let us see how that other giant industry of coal-raising is being organised to serve the community of men with the stored up energy of fossilised sunshine and teeming primeval forest life. Not only the metal and machine industries above-mentioned, but those which provide the fuel and motive power by which the means of production are driven and their output distributed, are exemplifying the same tendency towards combination and unified control.

The supply of coal has passed more and more into the hands of huge syndicates of producers, whose personnel is frequently the same as that of the petroleum companies. Many of the great colliery companies are subsidiaries of the iron, steel and engineering concerns that dug coal primarily for their own use, and then began to sell the ever-growing balance of output on the open market. Others are owned and operated by groups of individuals or firms who are engaged simply in the raising of coal, and whose fortunes and whose further industrial developments are built on the foundation of a successful colliery business. All over the country huge amalgamations have taken place in the getting and marketing of coal, and it is a usual thing for interests in Yorkshire to be deeply involved in South Wales, or for Scottish owners to be interested in pits in the Midlands and elsewhere. Coal owners from all the fields are to be found participating in the opening up and development of new areas, such as the Doncaster and Kent coalfields.

The same tendency which displays itself in other industries is to be seen in the increasing size of modern collieries, and in the continuous adoption of machinery, electricity and surface plant. The underground worker become more and more a machine minder, whose heavy work is undertaken and whose output is augmented by the application to his trade of superior technique. With the advancement of applied science, and with the intensification of competition, which results in eliminating waste and which serves to swell the sum of profits, colliery owners have installed washeries, bye-product plants and coke ovens for the better grading of coals, for the recovery of all the latent riches of the mineral, for the manufacture of coke, and for the production of the bases of hundreds of chemicals.

Here has been found the occasion for an immense co-ordination of industries which draw their raw materials



from coal. The dye industry, on which the cotton and woollen industries of Lancashire and Yorkshire are so greatly dependent, is based upon the distillation of tar from bye-product plants, and affords a technical bridge between the mineral and metal industries on one hand and the textile industries on the other.

The finishers of cottons and woollens have an ever-growing community of interest—a material basis of co-operation in the scheme of production with the coal masters, gas producers and chemical manufacturers. Chemical manufacturers, both industrial and pharmaceutical, derive an immense number of their materials from the bye-product operators, whilst users of motor spirit now look to benzol as much as to petrol for the propellant of their engines. Arrangements have already been made by the distributive agencies of the great petroleum syndicates for the sale after the war of the coal bye-products, which certainly implies a very close community of interests between the owners and vendors of the two sources of fuel and illuminant. Coal, iron and steel, petroleum, chemicals, dyes: such are the indispensable raw materials, manufacturing accessories and fuels, whose production is now passing under a unified control made practicable by the progress of industrial technique.

Now there are plans and projects for the economy of power production and the conservation of energy. It is proposed to utilise coal at the pit head to make both electricity and gas, to be manufactured in large installations by the most modern methods and transmitted to the consumers by cables and pipes stretching far and wide over the countryside. If the production of power and illuminant is thus to be centred upon the coalfields and undertaken by the coal raisers, and if these services are to be organised on this gigantic scale, the economic position of those who control the source and utilisation of fuel will be tremendously powerful.

Colliery companies are already hiring out waste heat and power, supplying electricity for lighting, and interesting themselves in the utilisation of their bye-products. Iron and steel companies are making pipes, tubes, retorts, gas tanks, etc., and combining with the makers of electric equipment, cables, coal cutting, hauling and pumping machinery. Colliery and petroleum interests have their own selling and carrying agencies and steamship lines. The fuel raising, fuel distilling and bye-product recovery industry is yet another



branch of modern production, with an organisation fitted for social ownership and providing one more proof of the historical accuracy of the Marxian theory of economic and social progress.

### **The Traffic Trust.**

Closely bound up with the problems of fuel resources and of power raising are those which concern the transport of materials from place to place, whether by road, by rail, or over sea. The exchange of commodities, which became general with the rise of the capitalist system of production, necessitated considerable outlay on improvement of means of communication between one place and another. First, roads, then canals and, afterwards, tramways and railways, were the successive stages in the interlacing of the new industrial and commercial areas. Postal, telegraph and telephone services were called into being for the interchange of messages and the economy of time and effort which modern productive efficiency demands. It was in the provision of these requirements that the iron, steel, engineering and coal industries found the encouragement which so immensely fostered their growth. The adoption of liquid fuel and of rubber for commercial purposes added the motor vehicle to the means of land transit, and the harnessing of electricity has brought into use a new variation of railway carriage. This continuous improvement in the means of communication has played an all-important part in making possible the co-ordination of various productive undertakings and the practical combination of smaller businesses into single enterprises of gigantic size.

At home, the canals and railways afforded the first opportunity for landowners and capitalists to "pool" their accumulated rents and profits and to attain to a community of interest where previously there had been fierce economic antagonisms. The tramways, motor transport and kindred undertakings have, since then, brought together financiers, electrical engineers and local industrial magnates into the same businesses. All the electrical undertakings and power companies are considering a project for linking up their businesses with the colliery, iron and steel and similar companies on the one hand, and the railway companies, now converted to a policy of electrification of their services, upon the other. The banking and investment corporations and the



Government, through the Ministry of Reconstruction, all favour such a colossal merging of what may be termed the vital industries and utility services of the country. The iron and steel magnates and the engineering interests foresee a tremendous effort of renewal, reconstruction and extension of railways, canals, etc., in the pursuit of national efficiency.

The costliness of the effort and the length of time required for the execution of the original railways and canals can best be appreciated by comparing the tools and blasting materials available in the "forties" and to-day. Long and ill-ventilated tunnels, deep cuttings, high embankments and viaducts were then the result of prodigious toil and patience, which it is all too easy to under-rate. Our existing canal system was the last great achievement of an industrial technique devoid of the machine and relying solely upon the wood and iron tool. The railways stand between the period of manufacture and that of machino-facture. The displacement of hand drill, crowbar, pick and shovel by the rock-boring machine-drill operated by compressed air or electricity, the steam navvy and the high-force water blast; the supersession of gunpowder by dynamite, blastite, guncotton, cordite, and other powerful charges have made gigantic schemes for docks, railway lines and canals very much easier to take in hand. The colossal quantities of explosives required by public contractors and engineers laid the foundation of a technical and financial community of interest between these and the powder and chemical manufacturers. These latter, as we have already shown, are now associated with the metal refineries, blast furnace owners and coke-oven operators, whilst the former have inter-locking connections of a similar nature with structural steel makers, crane, caisson, pumping machine builders and heavy engineers.

In the near future we are likely to see the commencement of huge canal schemes, of harbour works, and of vast schemes of railway and tramway reconstruction and re-organisation. These projects will find a use for the huge quantities of high explosives which the war developments will have made it possible and desirable to produce, and will afford employment for tens of thousands of men who have lost their old occupations, have been ousted by the machine, and are accustomed to the rough and tumble of navvy life in the trenches.

Not only will the military explosives and armament contractors thus find another opportunity of serving their grate-



ful country, but the iron and steel interests with slag to dispose of and iron rods to utilise in some way or other, will extend the preparation of concrete slabs and ferro-concrete for use on the self-same schemes, for road surfaces, etc. They and the cement makers, stone crushers and quarry-masters will find there and in the provision of cement and concrete for frame buildings, viaducts, water works, pipe lines and, perhaps, above all, for the erection of tens of thousands of workmen's dwellings, an outlet for their commodities and a stimulus to their enterprise. Not only houses, offices and roads, but ocean-going ships are now built of concrete. Colliery companies are already very extensively engaged in the making of bricks. We shall find them as coal and iron masters, combining to produce and market steel framework, iron wire and bars, concrete, stone, bricks and other building materials. They will become more and more involved in house, works and office construction and in civil engineering. They will be mechanical and electrical engineers, steel makers, shipbuilders, locomotive, carriage, wagon and tramway erectors. They will be fuel, electric power, heat and lighting producers, coke-oven operators and chemical manufacturers. In fact, they are so, in some instances, to-day.

### **Capitalism and Agriculture.**

The integration of industry and the combination of capitals will not cease even here. The bye-product plants at the collieries and blast furnaces make great volumes of sulphate of ammonia, and the iron works yield the basic slag of commerce. From chemical plants and coke-ovens calcium cyanide and other nitrogen compounds are being made available as fertilisers, destined to become more and more necessary for renewing the crop-growing capabilities of the soil and for increasing the grain harvests of the world. Instead of contenting themselves with dung and natural manures, farmers will use more and more artificial fertilisers, just as they are supplementing natural feeds with machine-made cattle cakes and meals.

Agriculture, in whose service the tool was so largely formed, is now making extensive demands on the machinist and on the low speed oil engineer and, hence, of the iron and coal master.



Most important of all, however, it produces the potato, the beetroot and other vegetable sources of the carbo-hydrates from which alcohol is made. Alcohol, as a stimulant used to excess, interferes with the proper exercise of the wage-worker's labour-power, and this fact is being recognised by scientific students of industrial efficiency. Alcohol, as an industrial hindrance, will tend to disappear just as soon as the "disinterested" trade (and the "disinterested" newspapers that live on its advertisements) which insists on the right of the worker to have his pint, discovers that it can sell alcohol as profitably as a means to industrial efficiency. Already alcohol is figuring largely in the scheme of industry as a source of drugs, as a solvent in the manufacture of explosives, in making varnishes, starch and sugar, in treating rubber, in making dyes, photographic materials, and as a fuel. All this implies that alcohol and the alcohol-yielding vegetables, are becoming the raw material of the same industries as are supplied by the colliery and blast furnace and metal refining interests. This signifies that the industrial capitalisation of agriculture is at hand and that the land-owning class (the agrarian capitalists) are about to merge still further with the industrial capitalist class. Capitalist production is about to sweep over into agriculture, to complete the submergence of the small undertaker therein, and to prove once more that time and tide justify Marx to the hilt.

### **Exploitation without End.**

The application of steam-power and of iron and steel to the construction of sea-going ships, increased cargo-carrying capacity, speed, dock and harbour undertakings, etc., have made feasible the huge expansion of trans-oceanic traffic in commodities which has become so continuous and so efficient as to permit of the establishment of industrial and commercial concerns having their several processes of production and their departments of trade in different countries and even in sundered continents. These developments have enabled international production to grow out of international trade, and have afforded innumerable channels of investment in distant countries and virgin lands. Shipowners, merchant houses, finance corporations and foreign railways have branched out into almost every conceivable extension of profit-making venture. The merchants in the East, the rail-



way companies in Canada, Argentina and elsewhere, the investment trust and shipping company in Africa, the land mortgage company in America, have undertaken all kinds of business and possessed themselves of every manner of property. They play into one another's hands, co-operate with each other in placing and executing orders, in furthering Empire development, and have the most intimate arrangements, alliances and agencies with and for manufacturing concerns at home.

To all intents and purposes there are in this country five great groups of shipowners which are, in turn, reducible to two—the Cunard-P. & O.-R.M.S.P.-Ellerman group and the Furness-Withy interests. Both groups are related to each other, especially through the armament, shipbuilding, iron and steel interests. These latter are involved in all kinds of mineral ventures, whilst the soap and chemical companies are connected with the vegetable oil supply of West Africa. The shipowners, the ranching companies, the meat packers and the cold storage proprietors; the railway corporations, the land mortgage trusts, the grain elevator operators and the lumber cutters; the rubber estate owners, the tea planters, the petroleum syndicates, the news and telegraph agencies and the colonial and foreign bankers, lock and interlock in a system or systems of amazing complexity, operating, directing and safeguarding the investments of the drone class of persons who, in this and other capitalist countries, batten upon the productive enterprise of every land. They are, besides collecting the tribute of millions in far-off continents, exchanging surplus products for the infinite raw materials of which modern industry has imperative need. They are building up a vast international economy of production which will outlive the domination of their present employers, who are but the still tolerated survivals of property relationships and business arrangements which have become obsolete.

Wonderful as was the economic and social revolution brought about by the substitution almost everywhere throughout industry of the steam-driven machine for the hand-operated tool, it was but a beginning of the transformations in society and in politics which are now being carried forward by still more marvellous application of human thought to material things. Instead of the prodigal consumption of crude coal under some wasteful boiler in an inefficient stoke-hole, carefully distilled products of the col-



liery, the oil well and even of the field are being used to raise heat and to generate electric power. The mineral, the vegetable and the animal raw materials are now being submitted to the scientist in order that he may extract from them every grain of treasure and every unit of energy. Cotton yields now not only its fibres but its seeds, which are no longer thrown aside until they have given up their precious oils to the soapmaker, the cattle food manufacturer and the chemist, which latter blends them with cotton lint to make high explosives and passes them on to the armament firm or to the public works contractor. As with raw cotton, so it is with timber, coal, and, latterly to an immense extent, with the oil products of the tropical forest, which figure in the toilet saloon, on the breakfast table, in the farm-yard and in the furniture store. As the sources of human wealth are split into their component elements and put together again by the exercise of intelligent human labour to supply the infinite requirements of society, the productions of field and mine and mill are drawn together into closer and ever more connected compass to form the technical and economical basis of social ownership and of international industrial democracy.

### **Capitalism and the State.**

All this bringing together of the means of production, all this connecting up of the many processes in the preparation of a commodity, all this lacing and interlacing of highways ocean services, and wireless or cable message-bearing, have brought the administration of businesses, the management of departments, the movement of money and credit and the control of men to a stage where existing forms of government, local, national, imperial, are all out-of-date. State and federal parliaments, chambers of law-makers and tax-voters, cannot control the machinery of government, the officials of bureaucracy, much less take any real part in administering industry and directing production. It is not merely the personnel of Parliament, it is the character and purpose of the legislative chambers which make them unsuitable for the administrative requirements, whether of State Capitalism or of Social-Democracy. They are institutions which survive from a time when the State had nothing to do with the management of industry, except on a very insignificant scale. They are composed of men elected by property owners or



occupiers in territorial areas whose traditional business it is to relieve the owners of property of all hindrances to the enjoyment of their possessions, to enlarge the bounds of their personal liberty, to arrange for the defence and protection of the said property owners both at home and abroad, whether from enemy aggression, social discontent, or, latterly, disease and famine which were formerly deemed to be within the province of the State Church as being "acts of God."

The whole idea of government has until recently had nothing to do with the organization of production, and now that circumstances have made it necessary for the State to engage in industry on a gigantic scale, the owners of existing undertakings have been quick to assist in this new development so as to build it up on lines which should conform with their class interests. The new system has been developed apart from parliamentary supervision and with capitalist assistance and advice. Certain sections of the capitalist class are, indeed, clamouring for a greater measure of parliamentary control, or, better still, destructive action, but these, especially the noisy merchant community, are socially wasteful and economically unnecessary. It is their economic weakness which explains their exclusion from the spoils, and this forced exclusion which produces the amusing chorus of howls and warnings to which some Socialists are paying an unwarrantable attention. Merchants, shopkeepers, brokers and all kinds of traders now become enthusiastic champions of civil liberties and parliamentary government because conditions are making them economic reactionaries and potential, but extremely dangerous, allies of the working class. The doomed middle class will do its utmost to give new life and impart new vigour to Parliament, which is its natural weapon of attack and defence, but the days of both are well nigh numbered, since the Capitalists and the Workers will neither of them have a use for it in their administration of things.

### **The Workers and the State.**

The State was called into existence after the institution of private ownership of such social wealth as up to that time had been accumulated, to defend the new order and to further the interests of those who, at different periods, were the dominant class. The property owners maintained this, their



executive committee, and controlled its actions by yielding or withholding personal service or, at a later date, contributions from their possessions, which contributions, as aids, loans or taxes, constituted the revenue of the State. The form of the State has changed from time to time, and the means whereby the owners of property have exercised control over the collection and disposal of their contributions have varied. Sometimes, they have sat as the Great Council; sometimes, they have scarcely been consulted by the King; sometimes, they have come together in Parliament to vote money in return for redress of grievances; sometimes, again, they have been able to enforce the principle of "no taxation without representation." But the Parliament has never been the Executive. It has only been a means whereby successive classes of property owners have been able to render the Executive powerless by withholding supplies or revenue indispensable to its upkeep. When the landowners and merchants became economically supreme and politically dominant in Parliament, they compelled Charles II., William III. and other occupants of the throne to recognise the "Constitution" and hand over control of the Executive to them. They then proceeded to transform the House of Commons into a farce until another economic force, that of the manufacturers, won their way to power in that Chamber, and, relying on the threat of a Radical Revolution, secured a share in the spoils of government. To-day, the capitalist class—landowners, manufacturers, financiers—controls the Executive and proceeds to transform the People's Chamber into the House of Camouflage. Now, the proletariat, the propertyless working class, aspires to conquer the State, and the entire class of property owners, with feverish energy, struggles to break down the Parliamentary approach, and throws up every civil and military obstacle to bar the advance of the last class. It pretends to give them more political representation by widening the franchise, it invites them to participate in certain offices of minor importance, or else it recommends them to abandon "dogmatic class politics" and fight for a great "People's Charter." It tries persuasion and it strengthens its police system. It prefers to use guile, but it holds force in reserve.

The capitalist class, in so far as it has exerted its political power through Parliament, has done so in its capacity as a tax-paying class. The working class does pay taxes, both direct and indirect, towards the upkeep of the State, but as



it only does so, in the long run, to its detriment as a wealth-producing class, it is evident that its contribution towards the maintenance of the executive committee of the propertied classes must be of another character to that of its masters. Whether the workers continue to pay taxes, and hence to make a nominal contribution in this way to its revenues, or whether they secure the abolition of all burdens on their means of subsistence, their support of the State will, in the last analysis, remain the same. The working class produces the surplus values which the propertied classes annex, and out of which they devote a portion to the upkeep of their executive committee, the State. The workers' power, their political power, depends on their ability or inability to withhold their labour-power. If they can do that then they can capture the whole machinery of Government. But as their aim is to hold and to administer the means of social production which they themselves operate, and not to use their power to exploit others, they will no longer require to maintain the organ of class rule, the executive committee of an order of property owners, and can set to work to demolish it, substituting for it their Council of Workers' Committees whose business it will be to organise the production and circulation of goods and services.

In order to be in a position to achieve this revolutionary aim the workers must set themselves forthwith to forge the terrific weapon of industrial action—or, to be precise, inaction—and they must, as they become conscious of their purpose and power, consider and adopt such methods as will, at one and the same time, arouse their fellows, prepare them for the final struggle, and make ready the appropriate institutions by means of which they will organize the system of production which their political triumph will place within their grasp. Not only must Socialists be morally and intellectually convinced that Capitalism is "useless, dangerous, and ought to be abolished," and have ideas as to how that abolition is to be brought about, but they must discover the ways in which to bring their fellow workers to the same frame of mind and point of view. This cannot be done either by striking the heart-strings or by the most logical presentation of facts and theories. It can only be achieved by giving to the workers continuous experience of the manner in which Capitalism handles a rebellious working-class, applies its vaunted patriotism and public spirit, and



shows by deeds, not words, its ruthless and unscrupulous nature.

Let the working class challenge the capitalist class on the floor of the House of Commons (and in the municipal council chambers of the land) and seek to wrest from it the mastery of the State. Let it test the sincerity or correctness of those political democrats who assure us that it is only necessary to make the voice of the people heard with sufficient emphasis and the State will prove to be themselves. Let us see how the State will direct "the whole civil and military forces of the Crown," how it will instruct Scotland Yard to act, how it will make use of the Law Courts, and how it will ensure that the whole Whitehall Bureaucracy shall confirm the theory that "the State is the People." Let it put to the test the specious professions of the politicians of capitalist democracy. But, lest these professions should be found wanting, let it be ready to show those gentry that it stands immediately behind its elected delegates and that they are only the spear-head thrust across the Bar of the House by the workers, who keep firm and vigorous hold of the shaft of Industrial Unionism.

Then, if "the executive committee" displays any inclination to temporize, let the workers give the shaft a twist. If that proves inadequate, let them exercise "the Right to be Lazy" so that "the executive committee" may continue to deliberate on an empty stomach. The Social Revolution has more to win by the workers staying in bed than by fighting at the barricades.

### **Organisation and Education.**

So much for political action, a function purely destructive. Industrial action, the action of the industrial organisation of the workers, must be determined from time to time by the conditions under which it has to be exercised. The need of the hour is to find some way of bringing together the workers, now combined together by crafts which are obsolete, by trades which are disappearing, in sectional unions which no longer conform to the range or area of production, in federations to encounter federations of masters who have since merged their businesses. More and more, the capitalist class combines its membership and organises its business of profit-making into a union of exploitation and a single system of absorbing labour-power. The workers must



make their rules more elastic, their organisation more flexible, their policy more militant. They must enlist as an army, be self-disciplined for attack and defence, and, above all, equip their spirits with courage and their minds with knowledge. They have both to organise to gain the victory and then to maintain and consolidate the positions they have won. They have to carry through the Revolution, and in such a way as to make it impossible for the expropriated class to rally the discontented ones and achieve a counter-Revolution. The workers must be ready, therefore, to take over and to carry on all the machinery of production, the public utility services and the necessary social arrangements. The time has passed for vague aspirations, for moral maxims, for catch phrases, and for emotional satisfaction. We must learn, we must organise, we must act, we must conquer, and this we shall do if we have but Sense and Courage! Courage and Sense!



# British Socialist Party.

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## CONSTITUTION.

**Object.**—The object of the Party is the same as that of the Social-Democratic Parties in other countries, viz., the socialisation of the means of production and distribution.

**Methods.**—The Education of the People in the principles of Socialism.

The closest possible co-operation with trade union organisations and the advocacy of industrial unity of all workers as essential to bring about the socialisation of the means of production.

The establishment of a militant Socialist Party in Parliament and on Local Bodies, completely independent of all parties which support the capitalist system.

**Immediate Action.**—The British Socialist Party will vigorously advocate and support all measures and activities that in the opinion of the Party will strengthen the workers in their fight against the capitalist interests.

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The B. S. P. has branches in all the principal industrial centres.

For particulars of membership write to:—

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