

## OFFICIAL NOTICE.

All communications for the Executive Committee, Subscriptions for the SOCIALIST STANDARD, Articles, and Correspondence submitted for insertion therein, should be addressed—The Socialist Party of Great Britain, 43, Great Dover Street, London, S.E.1, to whom Money Orders should be made payable.

The meetings of the Executive Committee are held at the Head Office, every Tuesday, at 7.30 p.m.

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## The Socialist Standard

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## Who Own the Shares?

In spite of the numerous inquiries made from time to time which have demonstrated that the bulk of property is concentrated in few hands, professional apologists for capitalism go on arguing from selected evidence that wealth is fairly equally distributed. The favourite line taken by these people is to find the number of shares and the number of shareholders in particular companies, divide the latter into the former and show a fairly small result representing the "average number of shares owned by each shareholder." The calculation is utterly worthless as a picture of capitalism as a whole. Such averages mean nothing and in any event capitalists do not ordinarily invest more than a small part of their money in any one company.

An example of this is the American Telephone and Telegraph Company.

It boasted in 1927 that it had 423,580 stockholders and that "no one of these stockholders owns as much as one per cent. of the capital stock." (See Annual Report for 1927, p. 7.)

The capital stock amounted to about £270,000,000, so that the average shareholding was a little more than £600, which is not a very large amount, but which gives no justification whatever for the assumption that the firm's employees and other small shareholders owned £600 or near it, and that there are no big shareholders. In fact there are a small number of shareholders who own enormous blocks of stock, and a large number of shareholders who own only trifling amounts. In the list of stockholders at June 30th, 1932, there are 20 stockholders whose total holding aggregates nearly £18,000,000, an average of about £900,000 each.

Moreover, there is nothing to prevent the same

person holding blocks of shares in several names. The New York *New Leader* (March 9th, 1929) pointed out that at that time on the list of stockholders of A.T. & T. there was a certain G. F. Baker with 53,322 shares, each of 100 dollars par value, but he was also reputed to be the owner of another 31,391 shares in the name of D. T. Waters and 21,000 shares in the name of F. H. Pierson (both employees of J. P. Morgan's First National Bank of New York, of which Baker was Chairman).

It was estimated that if Baker exercised his right of subscribing to additional stock granted to stockholders in 1928 his total holdings would amount to about 123,577 shares, worth about £2,500,000 at par. (Actually the market price was far above par. In 1929 and 1930 the 100 dollar shares were being bought and sold at 200 and 300 dollars.) The shares would give Baker an income from A.T. & T. alone of about £300,000 a year, equal to the pay of upwards of 1,000 employees. This is the true picture of capitalism as a whole which each typical firm presents in miniature.

## The Australian Trade Union Congress

The Australian Trade Union Congress has just closed, and although the plight of the Australian workers is probably worse than ever before, the attendance was by no means large.

Many Trade Union conferences have been held, and if we examine the decisions of the congress we will get an idea of the direction in which the Trade Union Movement is going.

Delegates represented many Trade Unions, having varied sectional interests and particular grievances. But political opinions predominated, and almost every shade of political opinion was in evidence. There was the "shock" brigade from New South Wales led by Mr. Jock Garden, erstwhile Communist Party foundation member, but now organiser-in-chief for the forces of J. T. Lang, Labour ex-Premier of New South Wales. Most of this "brigade" consisted of Trade Union officials who had been appointed to the Upper House (New South Wales) by Lang, when the latter was Premier. Every time Lang's name was mentioned the "brigade" hailed him as "the saviour of the Australian workers," and the "Hear, hears" were as fervid as the "Hallelujahs" of other well-known worshippers.

There were Scullin Labourites, Communists, Minority Movement members, National Credit Cranks, and a solitary member of the Socialist Party of Australia. Discussion had not gone far when the political opinions bubbled to the top, and the Chamber became a boiling pot of political antagonisms. But the tone of the congress was different from that of past conferences insofar as

hardly a single delegate ventured the opinion that unemployment could be abolished under the capitalist system, and those who may have held that view remained silent.

The chief matters discussed were Closer Organisation; Subsidies to Industries; Freedom of Press, Speech, etc.; Unemployment; Ways and Means.

## Closer Organisation.

Much was said about this question, but there was little mentioned about organising on a class instead of a craft basis. The old arguments against labourers doing tradesmen's work and vice versa were revived, but they received more ridicule than in the past. Finally, congress carried a resolution having for its object the carrying on of propaganda for the smashing down of the craft barriers among the unions.

Similar resolutions have been carried enthusiastically in the past, so one cannot be too sanguine about the actual results. There seemed to be a strong desire on the part of many workers for a different form of organisation. But this desire does not spring from an understanding of an economic necessity for closer organisation; cheaper unionism and facilities for moving from job to job seems to be the driving force. Whether this latter will overcome the opposition of officials, whose jobs would be jeopardised by the welding together of the unions, remains to be seen.

However, the mere grouping together of purely ticket-holding unionists does not make for greater efficiency; neither does it increase the fighting ability of the organisation so formed. The form matters little if the substance is lacking, and the substance of a working class organisation is not mere numbers, but class understanding. Even then—and most of the delegates seemed ignorant of this—the heavy hand of capitalist development will nullify to a great extent the achievements of the everyday struggle. At almost every T.U.C. the disappointment with politicians whom they have supported reacts in an emotional surge towards industrial action on the part of most delegates.

## Subsidised Industries.

Notwithstanding their boastful platitudes about the success of "individual enterprise" Australian capitalists find it necessary at times to seek subsidies from the collective coffer of capitalism—the Treasury. Many industries are subsidised, and as soon as there is a change of government and a threat of interference with bounties to industries the bounty-fed capitalists engage in publicity campaigns to show how necessary it is to assist their industries. Officials of Trade Unions covering the industry concerned, faced with the loss of paying members in the event of the bounty being cut off, actively assist in such campaigns from time to time.

Delegates to the congress instanced cases of firms, subsidised and granted tariff protection by a Labour Government, refusing to employ trade unionists. Other firms had reduced wages and worsened conditions of workers who had assisted in the tariff propaganda.

Delegates who had supported the Scullin Labour Government, which granted these tariffs and bounties denounced evils resulting from their own stupid actions!

## Unemployment.

The unemployment question was lengthily debated at the congress. Delegates who had supported the Labour Governments, which had ignored the requests of the unemployed, now shed tears about the plight of the workless.

Ardent supporters of the Scullin Labour Government strongly criticised the National Government. Yet when the former went out of office—in spite of their claim that their tariff proposals would reduce the unemployed army by 80 per cent.—the number of workers without jobs was greater than ever it had been. Delegates who had supported the Hogan State Labour Government, which had ruthlessly attacked the Trade Union Movement and the unemployed, now turned their wrath against the Nationalist Government. Yet Mr. Monks, Secretary of the Unemployed Council, stated that the Nationalist Government had granted concessions which the Hogan Labour Government, under the same Unemployment Act, refused to concede.

The Lang Labourites from New South Wales, whose idol had placed the interests of the workers secondary to that of the manufacturers, boasted about the trivial concessions which Lang had bestowed upon the workers in that state. Ignoring a challenge to show wherein the "Lang Plan" would further the interests of the working class, these blind hero-worshippers made a strong drive to secure the support of the congress for the Lang Labour Party.

Out of the jumble of discontent came long-worded resolutions, staggering in their all-embracing verbiage, and carried by overwhelming majorities. Demanded in these resolutions were boots, clothing, blankets, fuel, lighting, medical attention, maternity benefits, milk for babies, revised dole payments, cessation of evictions, etc., etc. These demands exceeded by far those advocated by the Minority Movement and the Communists, and thus we had the spectacle of the "reactionary Trade Union Movement" leaving "vanguard" in a rearguard position.

Other resolutions demanding elaborate Unemployment Insurance schemes, alterations in the Commonwealth Constitution and National Health Insurance were also carried.

## Free Speech, Free Press, Etc.

During the last election campaign, as at many previous campaigns, the Nationalists promised to get rid of the "Reds" if returned to power, and having been elected they have made alterations in the Crimes, Immigration, and Arbitration Acts. A prosecution having been launched against the publishers of the *Workers' Weekly*, Communist Party organ, members of the Party pressed congress to carry a motion of protest against the actions of the Government.

Whatever objection the Government has against the *Workers' Weekly* it cannot be based upon the fact that that organ is revolutionary. When its columns are not being used for slanderous attacks upon, and lying abuse of, opponents they are filled with falsifications of Marxism, distortions of scientific Socialism, and big boosts for the Russian wages system.

The Government selected these people and their paper for special penal attention simply with the desire to avoid disorder, which disturbs the smooth running of the system. The last three or four elections have been fought on the "Clean up the Reds" issue. However, the congress decided to stand by anyone penalised under the Acts mentioned, and the constitutionality of the latter may be tested. Hence we may see the erstwhile boosters of their illegality endeavouring to prove their legality through the ordinary constitutional channels!

## Ways and Means

Under the heading of "Unemployment Objective" Congress carried a resolution worded thus:—

"Congress realising that unemployment cannot be solved under the present system of capitalism, therefore calls upon the Trade Union Movement to unite on the basis of replacement of capitalism by the Social Ownership of the means of life, and the abolition of the wages system, and instructs all branches of the A.C.T.U. to work for unity on this basis alone."

An amendment, substituting "a system of society based upon the common ownership and democratic control of the means and instruments for producing and distributing wealth by and in the interests of the whole community," was defeated overwhelmingly. This showed just how much about Socialism the delegates really understood, especially in view of the wide interpretations "Social Ownership" was open to. This was proved later by delegates stating that the Labour Party stood for "Social Ownership." Then we found Scullin Labour Partyites and Lang Labour Partyites—although opposed to each other—claiming that this was their object.

It was here also that we got an example of

Communist Party and Minority Movement confusion. At the State Industrial Conference held earlier when a Socialist moved that an essential of Socialist education was not an increase in wages, but the "abolition of the wages system" the Communist Party and Minority Movement delegates opposed his amendment. Reporting on the matter in the *Red Leader*, the official organ of the Minority Movement, the Victorian State Executive Minority Movement said:—

## INCREASE OF WAGES.

Casey also moved that the words "abolition of the wages system" should replace "increase of wages," but this was declared out of order.

It is very funny to see just where the mental distortions of these alleged "Marxists" land them—right into the camp of the boss. The "Abolition of the Wages System," as a slogan in this period, can only be taken by the workers to mean Work-for-the-dole.—(*Red Leader*, August 10th, 1932.)

Notwithstanding this brilliant interpretation of working class psychology, both the Communist Party and Minority Movement delegates at the A.C.T.U. Congress supported that part of the unemployment motion providing for the "abolition of the wages system." The question now arises: What would happen to delegates at the Red International of Labour Unions Congress in Moscow who moved for the abolition of the wages system in Russia?

The ways and means for giving effect to the unemployment policy are embodied in a motion providing for the setting up of committees from the Congress, the Unions, and the unemployed. These committees must engage in a campaign of "industrial education," whatever that may be, for the purpose of consolidating the ranks of the Trade Union Movement in order that mass action against the employers may be carried out effectively.

Further, they must hold meetings in conjunction with shop-stewards, unemployed delegates, and officials for the purpose of breaking down craft barriers and forming one union in each industry. As similar resolutions in relation to breaking down craft barriers have been carried by previous T.U. Congresses without anything effective eventuating, this seems to be more window dressing.

Since the Congress disbanded, the various "wings" and sections of the Australian Labour Parties have been adopting its decisions, interpreting the motion for "Social Ownership" as being synonymous with the old A.L.P. objective, viz.: "The Socialisation of Industry, Distribution and Exchange." Everybody who has experienced Labour Rule will realise just what the effects of A.L.P. "Socialisation" are.

One thing was made clear at the Congress, and that was this: Before there can be any substituting of Socialism for Capitalism much Socialist education has to be done, and this is the job which the Congress shirked. Delegates who don't know what Socialism is themselves cannot teach other members

of the working class anything about it. That work must be done by Socialists.

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## Notice to Correspondents.

Several correspondents have written to us at different times complaining because we have answered their questions or criticisms by post instead of in print or because we have refused to allow them unlimited space in which to state their criticisms. As there is evidently some misunderstanding of our policy we draw the attention of correspondents to the statement below.

The S.P.G.B. cannot undertake to publish in the "S.S." every letter we receive and for which publication is requested by the writer. While we try to meet such requests as far as possible, the decision must remain with the S.P.G.B. and be based on our view as to the importance of the subject, its interest to readers, and on considerations of space. Similarly when we have agreed in advance to publish a criticism we cannot allow it unlimited space.

What we do undertake as far as in our power is to give a definite and frank reply, either in print or by letter, to all questions and criticisms.

A little thought should be sufficient to convince anyone that no other attitude is reasonable. We literally could not print all the letters we receive for which publication is desired or even demanded. It is by no means rare for the amount of such correspondence received during a month to exceed in length the whole space of an issue of the "S.S." During 1932 we received one letter which alone ran to about 14,000 words—more than sufficient to fill the whole "S.S."—and which we were informed we "must" publish.

Neither the SOCIALIST STANDARD nor any other journal could give an undertaking to publish every letter.

The "S.S." exists for the purpose of making known to the workers the principles of the S.P.G.B. If we undertook to publish any and every letter sent in by critics, the space at our disposal could be deliberately wasted by persons whose primary object was to prevent us from using our space for the purpose intended. Even when questions and criticisms are bona-fide ones, it is still necessary at times for us to reply by post instead of in print, when, for example, space has already been given up to identical arguments.

A recent complaint comes from an organisation called the Socialist Propaganda League, whose pamphlet, "From Slavery to Freedom," was reviewed in our November issue. The S.P.L. have written stating that they had intended to reply to the review, but changed their mind when they dis-

covered that we were not willing to give as much space as they wanted to their letter of criticism in another matter. The other matter is the following:—

In September we published our answer to two letters, our answer consisting of 1,000 words. The S.P.L. wrote asking if we would publish a reply by them. They were told that they could send in their letter, but that we must, of course, be guided by considerations of space. Their letter when received was found to run to approximately 2,000 words. If we published it and a reply to it of equal length, not far short of one-third of the space in an issue would be taken up. We accordingly returned the letter and suggested that the S.P.L. themselves cut it down to about 1,000. This they declined to do, on the ground that they cannot state their case under 2,000 words; although our original statement consisted of only half that number. There the matter rests. We have merely dealt with the S.P.L. letters in our ordinary way—the only way that is reasonable.

ED. COMM.

## More Confusion In British Columbia.

In the October SOCIALIST STANDARD we referred to a body calling itself the Socialist Party of Canada, recently formed in British Columbia out of the I.L.P. We said that if the British Columbia party were a Socialist party, as it claims to be, its obvious course would have been to link up with the Socialist Party of Canada, which has headquarters at Winnipeg. In fact, however, the British Columbia party (as we pointed out) still fights elections on a programme of reforms without even a reference to Socialism, and moreover, its constitution allows it to form part of a hotch-potch capitalist political organisation called the "Co-operative Commonwealth Federation (Farmer, Labour, Socialist)."

The journal of the British Columbia party now replies to our criticism (see *British Columbia Clarion*, November).

It tells us that it did not link up with the Winnipeg body because "Vancouver had no means of knowing what Winnipeg contemplated, or vice versa," and because "the move to initiate a Socialist Party in Vancouver commenced before that of Winnipeg."

These two "reasons" simply evade the issue. No matter who moved first the Vancouver and Winnipeg bodies do now know of each other's existence. The impossibility of merging is due to the quite different reason that the Winnipeg body has a Socialist basis which the other has not.

The *British Columbia Clarion* also reproves us for our parochial view "bounded by the English