The
AMERICAN LABOR
YEAR BOOK

A volume of 448 pages of written and tabular matter indispensable to every student of the Socialist and Labor movements.

PUBLISHED ANNUALLY
by
THE DEPARTMENT OF LABOR RESEARCH
RAND SCHOOL OF SOCIAL SCIENCE

A comprehensive survey of the progress of the Socialist and Labor movements in the United States and abroad and a compilation of facts concerning political, social and economic conditions.

Among the contributors are the following:

Professor Scott Nearing, Florence Kelley, Morris Hillquit, William Green, Secretary, United Mine Workers of America, Mayor D. W. Hoan of Milwaukee, Professor George G. Groat, W. S. Carter, President, Brotherhood Locomotive Firemen and Enginemen, Basil M. Manly, Ph. Snowden, M. P., Dr. I. M. Rubinow, Dr. Helen L. Sumner, Fred Hewitt, Int. Machinists’ Union, Prof. W. F. Ogburn, Dr. G. M. Price.

Order Now—Edition Is Limited

Special prices in large quantities

Order from
RAND BOOK STORE
7 EAST 15th STREET
New York
EUROPE IN REVOLUTION

A LETTER from SCOTT NEARING
Europe in Revolution

By SCOTT NEARING


My dear Louis:

You ask me to tell you in a word what is happening in Europe. In a word, I answer—revolution.

But that is not enough, any more than it is enough to say that in the month of January we have snow in the United States. It is as long a step from the strikes and lock-outs of Barcelona and Athens to the Socialist Federated Soviet Republic of Moscow as it is from the snow flurries of Atlanta to the mountainous drifts of Montana and the Dakotas.

Nor is it enough to get the opinion of one person on the situation here in Europe. I have seen only a very little part of the whole continent, and have talked with less than one person in a hundred thousand of the population. Then, too, in an atmosphere reeking with propaganda, it is nearly impossible to determine what are facts and what are opinions. Consequently I have only a personal view as to what is going on. Take it for what it is,—one man's idea. Do not bank on it. Consider it in the light of what other information you can get, and form your own conclusions.

With that little word of warning, let me give you some of the impressions that I have received as to the things that are stirring European society to its foundation.

Europe, at the moment, is a vast experiment in social revolution. Experiment? No, it is more than that. It is an object lesson of the first importance to the remainder of the world.

Let us be sure that we are talking the same language.
When I say "social revolution" I mean a rapid and thorough-going change in the method of organizing and of directing society. The substitution of a Republican for a Democratic administration is not a social revolution, because both of the parties have the same ideas regarding the fundamentals of social organization. But the establishment of an industrial democracy in the place of a feudal aristocracy is a social revolution, because the fundamental methods of organizing and directing society are completely changed.

The change from a monarchy to a republic, which was formally begun by the American colonists in 1776, was a revolution. So was the substitution of Sovietism for Czarism in Russia. This process of revolution includes two separate steps. One is the removal of the old social form,—monarchy for example. The second step is the setting up of a new social form,—for example, a republic. These two steps together constitute the revolution.

Now, if we both understand what we mean by the term social revolution, let us get back to Europe.

Europe is in the throes of social revolution. There is not a single country where its rumblings are not heard. Since March, 1917, when the first revolution occurred in Russia, absolute monarchy and divine, kingly rights have practically disappeared from the continent. Before the Russian Revolution, four fifths of the people of Europe were under the sway of monarchs who exercised dictatorial power over the domestic and foreign affairs of their respective nations. Within the space of less than two years, the Hohenzollerns, the Hapsburgs and the Romanoffs were driven from the thrones of Germany, of Austria and of Russia. Other rulers of lesser importance followed in their wake, until to-day, the old feudal power that held the political control over most of Europe in 1914 has practically disappeared. In the places of the former absolute monarchies, there have been established republics of varying forms. So that the bulk of the peoples of Europe, between 1917 and 1919, did exactly what we did between 1776 and 1783—they declared their independence of monarchy and in its stead established republics.

This is the obvious thing—the thing that has been in all of the papers; the thing that no one thinks of denying. It is
a revolution in the form of political government—the kind of revolution with which history usually deals because it is the kind of revolution that is the most spectacular and dramatic.

But there is another revolution proceeding in Europe, far more important because more fundamental—I mean the economic and social revolution; the change in the form of breadwinning; the change in the relation between a man and the tools that he uses to earn his livelihood. This economic and social revolution is not so obvious; it is much harder to follow, because it cuts far deeper than the political revolution. It is therefore not nearly so well understood.

Everyone knows, now, that Czars and Kaisers and Emperors did not really control Europe before 1914, except in so far as they yielded to bankers and to big business men. The crown and the sceptre gave the appearance of power, but behind them were concessions, monopolies, economic preferences, and special privileges enjoyed by bankers and business men. These men, because they controlled industry, which is the source of so much of the modern wealth, controlled political power, which depends on economic support. The European revolution that began in 1917 with the Czar, did not stop with kings. It began with them because they were in such plain sight, but when it had finished with them it went right on to the bankers and the business men.

When I say, therefore, that Europe is in the throes of a social revolution, I mean that the method of controlling the means of making a living is being rapidly changed. This process, of course, involves both the removal of the old economic system and the establishment of the new one. In most of the countries of Europe, the old economic system is busy removing itself.

What was the old economic system?

First of all, it was a system that divided the owner from the worker. One man owned a piece of land, a mill or a railroad. Other men worked on the jobs which the one man owned. As the system developed, the ownership was turned over to artificial people called corporations, which were created by the law and endowed with perpetual life and
other uncanny attributes. From that point on, the workers were under the control, not of real, but of pretended people. Thus the relation of man to man was lost in industry, and the worker, in order to earn a living for his family, was compelled to take a job where he could get it, in the pay of a great, impersonal “system” that paid him his daily wages but gave him no human touch.

The worker, thus employed by the owner of some mine or mill or factory, received a part of what he produced in the form of a wage or a salary. The other part of the wealth which he had produced went to pay rent, interest, profits or dividends. In the early stages of the present system, while the owner of the job was still a person, he very often worked for him. Later, however, when the owner could go on the Stock Exchange in New York or London and buy the job by buying some stocks or bonds in the corporation, he ceased to have any connection with the job. He might own New York Central stock and live in Sacramento or in Nice or in Geneva. He had become an absentee job owner, but the interest or the dividend went to him, just the same; and since he had bought the stock as an investment, that was all he really cared about. Thus the worker had become a servant to an invisible master, for whom he made a living that the invisible master spent at his pleasure.

The job owners who remained on the job and worked with the men stayed fit and kept their heads, but those who never saw a tool and who never did a day’s work grew flabby and soft in their bodies and in their thinking machinery. They ceased to feel with the rest of the great, busy world. They became a leisure class—separated from their fellow men by the very fundamental fact that the remainder of their fellow men were compelled to make a living while they were able to live, without doing any work, on the product of the labor of others.

Other owners, more ambitious and energetic, busied themselves in the collection of millions of dollars or pounds or yen. These millions, representing the surplus, taken by them from the labor of the workers, they then proceeded to invest, both at home and abroad, and thus they gained other
millions and tens and hundreds of millions which they called their own. After a time the land and the tools and the mines and the machines were all in the hands of these few people. The remainder were given the chance to work for the owner, on the terms of the owners, or to starve. These things happened in the United States between 1870 and 1915.

The same things had happened or were happening in Europe. Here were the workers who produced. There were the owners who controlled. The system was called "industrialism" or "capitalism."

Some of the big business men, in the different countries, got to quarreling. They wanted markets for their products. They wanted resources to exploit. They wanted opportunities to invest the wealth which their ownership of the jobs had given them. And several of them wanted the same things—as oil wells in Mexico or railroad concessions in China or trade routes from the East. These quarrels grew fiercer as the demand for markets and resources and investment opportunities grew greater. Finally, in 1914, the quarrel took the form of a war.

The capitalist system, which had come into being with the Industrial Revolution of the eighteenth century, now faced a crisis. War is destruction, organized and directed by the best brains available. It is merry sport for the organizers and for some of the directors, but like any other destructive agent, it may get out of hand. The War of 1914 was to last for six weeks. It dragged on for five years, and the wars that have grown out of it are still continuing. In the course of those five years, the war destroyed the capitalist system of continental Europe. There are patches and shreds of it left, but they are like the topless, shattered trees on the scarred battle-fields. They are remnants—nothing more.

When I say that the war destroyed the capitalist system of continental Europe, I mean exactly what I say, and I mean it in three wholly different, but complementary senses. In the first place, the war destroyed the confidence of the people in the capitalist system; in the second place, it
smashed up the political machinery of capitalism; in the third place, it weakened or destroyed the economic machinery of capitalism.

I put the destruction of confidence first because it is, in many respects, the most important. No social organization can exist that does not command the confidence of those who support it. That is as true of the Czar's government in Russia as it is of the constitutional government of Canada. Before the war, most of the people of Europe believed in their governments. If things were not all that they should be, they shrugged their shoulders, said that nothing in this world is perfect and that after the first of the year matters would pick up. There was a powerful Socialist movement all over Europe, prior to the war, but the Socialists, in the eyes of the masses, were "theorists," and people hate to leave a sure thing for an indefinite promise of future advantage.

Each government, to win the war, lied to its people. They were told that their country was invaded. They were assured that the war would be a short affair. Beside that, there were various reasons given for the struggle—it was a war to end war; it was a war to break the iron ring that was crushing a people; it was a war for liberty; it was a struggle to make the world safe for democracy.

On all of these issues, the governments over-advertised. The war dragged out through months and years. People lost faith and heart. There were famine and disease. Men died by the millions. Whole country-sides were desolated. The populations of the war-ridden countries began to feel no matter what they might get out of the war, the cost would be too high.

Armistice day came. People went mad. They danced, sang, wept, drank, caroused, rejoiced. The world was delirious, because at last the night-mare was ended and the promises of the governors would come true.

But the promises did not come true. The British and French populations were kept in heart by the assurance that
Germany would pay and that the Kaiser would be hanged. Meanwhile prices mounted; famine stalked; taxes rose; disease ravished. Still there were the fourteen points, and when Mr. Wilson’s train passed along on its trip into Italy, men and women fell on their knees to offer prayers for the coming of this new savior, and in their homes they lighted candles before little plaster busts of him, set in niches on the wall.

There followed the weary months of delay, with their disappointments, their rising prices, their increasing taxes, their new loans, unemployment, misery and want. Then came the Treaty—with destruction for the Central Empires and for the others an empty bag. Germany could not pay; the Kaiser was not hanged; the armies remained mobilized, and the war went grimly on—against Russia.

Perhaps that was the supreme disappointment. If, perchance as a result of the war, these hundred and sixty millions might have freed themselves and have been given a little assistance along the road that they felt led toward liberty, many of the most ardent souls in Europe would have regretted the cost, and rejoiced at the outcome. But the armies of the Allies, instead of being the angels of liberty, turned out to be nothing better than the legions of reaction, until the soldiers themselves mutinied and refused to go farther with the hideous business. With Yudenich, Denikine, Kolchak, and the White terror in Hungary and in Finland on their hands, with the blockade and with twenty wars, what could the Allied Governments say to their people?

Not a single important promise of the war was fulfilled, save only the promise of victory. Hundreds of millions, aroused to the heights of an exalted idealism, came back to earth only to find themselves betrayed. With less promise and more fulfilment; with at least an appearance of statesmanship; with some respect for the simple moralities of truth-telling, fair-dealing, and common honor, there might have been some chance for the capitalist system to retain the confidence of the peoples of war-torn Europe, even in the face of the Russian Revolution and all that it implied; but each of these things was lacking, and as one worker put
it: "I don't know what Bolshevism is, but it couldn't be any worse than what we have now, so I'm for it!"

Such a loss of public confidence would have proved a serious blow to any social system, even were it capable of immediately re-establishing normal conditions of living among the people. In this case, the same events that destroyed public confidence in the capitalist system, destroyed the system itself.

I have already spoken of the overthrow of the old political forms of Europe—the czars, emperors and kaisers, who stood as the visible symbols of established order and civilization. The economic forces—the banks and business men—had used these forms for the promotion of their business enterprises. Capitalism depended on czars and kaisers as a blacksmith depends on his hammer. They were among the tools with which business forged the chains of its power. They were the political side of the capitalist system. While the people accepted them and believed in them, the business interests were able to use these political tools at will. The tools were destroyed in the fierce pressure of war and revolution, and with them went one of the chief assets of the European capitalists.

There was a third breakdown—far more important than the break in the political machinery of the capitalist system—and that was the annihilation of the old economic life.

Economic life is, in its elements, very simple. Raw materials—iron ore, copper, cotton, petroleum, coal and wheat—are converted, by some process of labor, into things that feed, clothe and house people. There are four stages in this process—raw materials; manufacturing; transportation; marketing. They are like the four stages in the preparation of a dinner—buying the food, bringing it home, cooking it, putting it on the table. If there is a failure in one of the four, all of the rest go wrong, as is very clearly illustrated whenever there is a great miners' or railroad workers' strike, or when there is a failure of a particular crop. Well, during the war, all four of these economic stages went wrong.
Economic stages, such as I have described, are creative. Each one leads into the next, and the object of the whole is the feeding and clothing and housing of people. War is destructive. Its purpose is to tear down, while that of industry is to build up. The two forces are therefore contradictory. One negates the other.

Between the years 1914 and 1918 the people of Europe busied themselves with a war that put their economic machine out of the running. So complete was the destruction that after two years of semi-peace the broken fragments are still lying about in plain sight of every observer. I do not speak of the great areas where the battles were fought. There, the earth is wiped clean. Even the houses and the trees and the people have gone. I refer to the curtailment of normal production, the disorganization of transportation and the demoralization of marketing and finance.

Pre-war economic relations were delicately balanced in Europe. Each of the great nations purchased its supply of raw materials by exchanging for them some of its manufactured products. Through this means wheat, cotton, rubber, copper, iron, coal and many other essential commodities were bought. The normal economic life of nations like Germany, France and Great Britain consisted in turning raw materials into manufactured products, and exchanging them for more raw materials and for food.

The war destroyed this economic balance. During the struggle the supplies, the energy and the life of the people was turned to the production of munitions and war equipment. Factories were converted for this kind of work; supplies of raw material were exhausted; credit was strained; and when the conflict ended, each nation was left with munition factories; empty bins and warehouses; enormous debts, and vast supplies of war material that were wanted by no one. For a hundred years the nations of Europe had been busy building a finely adjusted economic mechanism; population, finance, commerce—all were knit into the same system. This system the war demolished, and the two years that have followed the Armistice have not seen it rebuilt in
any essential particular, save in Great Britain and in some of the neutral countries.

Not only are the European nations unable to give commodities in exchange for the things they need, but the machinery of finance, by means of which these transactions were formerly facilitated, has been crippled almost beyond repair. Under the old system buying and selling were carried on by the use of money, and money has ceased to be a stable medium of exchange in Europe. It would be more correct to say that money is no longer taken seriously in many parts of Europe. During the war the European governments printed 75 billions of dollars worth of paper money. This paper has depreciated to a ridiculous extent. Before the war, the franc, the lira, the mark and the crown had about the same value—20 to 23 cents, or about five to a dollar. To-day the dollar buys 15 francs; 23 liras; 40 marks, and 250 Austrian crowns. In some of the ready-made countries, constituted under the Treaty or set up by the Allies as a cordon about Russia, hundreds and thousands of crowns may be had for a dollar. Even the pound sterling, which has kept its value better than the money of any of the other European combatants, is twenty per cent. below par, when measured in terms of dollars. This situation makes it impossible for the nations whose money is at such a heavy discount to purchase supplies from the more fortunate countries. But to make matters even worse, the rate of exchange fluctuates from day to day and from hour to hour so that business transactions can only be negotiated on an immense margin of safety.

Add to this financial dissolution the mountains of debt, the huge interest charges and the oppressive taxes, and the picture of economic ruin is complete.

There is no need for me to go into further detail. What Davidson and Vanderlip have said to the people of the United States, Eugene Schneider has said to the people of Europe. They have told the story in full, and as bankers and business men they know the field far more intimately than I could hope to know it. They have described a situation that Mr. Vanderlip characterized by the phrase "par-
alyzed industry.” He might have written “paralyzed capitalism” with equal truth.

The old capitalist world, organized on the theory of competition between business men within each nation, and between the business men of one nation and those of another nation, has reached a point where it will no longer work. Outside of Great Britain and some of the smaller countries that did not suffer from the war, it has been wrecked politically and economically. Above all, the people of the war-ridden countries have ceased to believe that there is any hope for the future in the capitalist system of society.

What I have said does not apply to the profiteers, to the bourgeoisie, or to the peasants and small farmers. The profiteers have done very well in all of the warring countries. The middle class holds to the old system with the tenacity of habit and long training. The peasants, living directly from the land, are able to supply themselves with most of the necessaries of life. They are therefore not dependent, to any vital degree, on the outside world. Economic disorganization effects them, but it does not starve and freeze them as it does the city workers.

The burden of the crisis rests on the city workers. They were the pawns of capitalism before the war, and now they are its victims. They have no means of individual support; unemployment, for them, means death; high prices destroy their children; the dislocation of industry, following on the war, leaves them two choices—to starve with their families or to establish some new order of society.

I wish that there were words strong enough to picture the situation of the city worker in central, eastern and parts of southern Europe. He faces an alternative—revolution or death. He is not dealing with theories. He is no economist. Only, the means of livelihood, on which he has always depended, have crumbled under his feet. He must act, or see his family die.

If some of the pious and well fed opponents of “Bolshevism” and revolution, who are talking so loudly in the
United States, could come to Europe and see the wreckage of the old capitalist system—the first half of the revolution—and then could stand in the shoes of the workers who are unemployed and staggering under the burden of high prices, taxes, and scarcity, they would take on several shades of red over night. Revolution here is not a theory: it is a fact. In Russia the old system has disappeared, and a new system has been set up in its place. In Germany, and throughout central Europe, the old system is shattered, and the new has not yet emerged. In France, Italy and Great Britain the old system is in process of disintegration—rapid in France and Italy; slower in Great Britain. But in all of these countries intelligent men and women are asking the only question that statesmanship can ask—the question, “What next?”

Russia has gone farther toward answering that question than any other nation of Europe. The old system crashed first in Russia because it was less securely founded, and the experiments in a new order have gone farther there because the necessity for some line of action was more imperative.

There are in Europe, at the present time, only two policies—the policy of France, which aims at the maintenance and extension of capitalism and imperialism; and the policy of Russia, which aims at the establishment of a new society, founded on the dignity and the supremacy of labor. All of the other countries are lined up on one side or the other in the struggle between these two theories of social life.

For a time, it seemed as though it would be possible to crush the Russian experiment by force of arms; by fostering civil war; by maintaining the blockade. That plan failed for four reasons: first, because Russia was too big and too strong as a nation; second, because the old order in Russia had disappeared so completely; third, because the old order was so weak in France, Italy and Great Britain that the governments could not line up their peoples for the task; and fourth, because the workers in all of the countries involved took so decided a stand against the proposed action. Russia did not survive because of any good will felt by Lloyd-George, Clemenceau, Orlando, Millerand and Wilson.
It survived because it was relatively strong and they were relatively weak.

Europe in revolution means, first of all, Russia. There, the old order has already gone, and the new one is already set up. What new order? It is difficult to say.

What is present-day Russia? There have been many conflicting statements, and yet there is a consensus of opinion that is slowly emerging. Capitalist journalists, liberals, conservative trade unionists, moderate socialists, and radicals of all shades of opinion have spent weeks or months in making careful studies of the Russian situation. Their accounts differ, but there are many points of agreement.

First of all, they agree that there have been four stages in the Russian Revolution. There was the break-down of the old Czarist régime; then came the struggle to determine the type of control; in the third place, with the Bolshevists established, there was the period when Bolshevism was forced to meet the combined attack of counter-revolution within and of allied aggression without; finally there was the period of construction, during which the leaders of the new régime have been seeking the best means of organizing and directing the new society.

All observers agree that the spirit of the workers in Russia is remarkable. After six years of continual warfare, they are holding to a new idea. They have seen a light, and they believe in its reality. The Russian city workers, to-day, feel the same enthusiasm as that which was felt by the French workers after 1793.

There is also a unanimity of opinion on the desperate economic straits in which the Russians find themselves at the present time. They lack leather, machinery, cotton, railroad equipment, and many of the other necessary elements for production. They lack food, fuel, clothing and the simple necessities of every-day life. They lack medicines, disinfectants and soap. In short, those things which are regarded as the prime essentials of modern civilization are wanting in Russia. The consequent suffering is terrible. People are habitually hungry; disease rages, for lack of the means to check it; the whole population is badly shod and clothed.
In the industrial centres, people are sick and cold and starving.

Observers are equally unanimous in declaring that the Government is taking exceptional care of the children. They are better fed than the adults. They are provided with schools; with recreation centres; with opportunities for esthetic development; with an intimate understanding of social life. Women, before child-birth, receive special consideration. Babies and mothers, after birth, are given excellent care. The British Trade Union delegation to Russia remarked that here, at last, there was a state that really made the coming generation a first charge on its resources.

There is some difference of opinion as to the strength of the Red Army. It is large. It is becoming well organized. It is not well equipped. It has behind it a system of military conscription which includes industrial conscription in times of special stress.

The economic life of Russia has undergone a complete transformation. Most of the land—over nine tenths of it—is in the hands of the peasants. Mineral resources, railroads, the large industries, the banking system, foreign trade and some large scale agricultural stations are the property of the nation. The economic power of Russia is thus divided between the peasants, who hold the agricultural land, and the state, which is in control of all of the chief forms of capital.

This highly centralized industrial organization is under the direction of the Council of National Economy, which is assisted by regional and local councils. There is a three-fold representation on these councils—from the state, from the workers, and from the experts in industry.

The immediate problem of managing industry has been placed in the hands of the trade unions, to which all workers must belong. The immediate problem of distribution has been given into the hands of the co-operatives, which have become a part of the official machinery of Russia. Thus, these two questions—of maintaining production and of insuring distribution—are turned over to those immediately concerned with them: the workers and the consumers.
Production has lagged, terribly. Distribution has been rendered difficult by the lack of transportation, the pressure of war demands, and the lack of a medium of exchange that will prove generally acceptable.

Profiteering and speculation have been reduced. Parasitism has been practically eliminated, since it is very difficult for anyone to obtain a livelihood unless he works for it.

These are the outstanding facts of the Russian situation as I have gained them by reading official reports, talking with labor delegates and discussing the situation with those who have been in Russia on various unofficial missions. As for the foreign policy of Russia, there is no need to go into that question as you know as much about it as I do. They have been, and still are, in favor of self-determination, and they want the East to stand on its feet and assert its right to treat, on equal terms, with the West. Whatever the new government in Russia may be, certainly it is not imperial in the old capitalist sense.

I have cited these facts because I wanted to convey to your mind this idea—that those who agree with the Soviets and those who disagree with them are at one on these two propositions: (1) The old order has gone in Russia; (2) there is a new order there, already in part established, which differs in all of its essential conceptions from the old. As one visitor to Russia put it, “You must either accept the Lenine Régime, or else you must find something to put in its place that will commend itself at least as warmly as does the present Government to the Russian masses.”

In other words, Russia has completed a cycle of revolution. The old order has disappeared and another has been put in its place.

There is no other nation of Europe in which the transformation has been equally complete. On the other hand, it must be remembered that over a third of the population of Europe is in Russia. The revolution in Russia is therefore a revolution for a very large share of the European people.
Next to Russia, in revolutionary importance, comes Germany.

The first revolution came in Russia, the second in Germany. Some people think that second place should be given to Hungary, but for several reasons—the backwardness of the people; the lack of industrial organization; the smallness and vulnerability of the country; and the weakness of the leaders—the Hungarian Revolution was never of the first importance. The breakdown of the old order was more complete there than it was in Germany, but the possibilities of reconstruction are far less.

Germany is a sick nation. Its international economic life was built on its foreign markets, its commerce and its banking. These have been virtually destroyed by the war. Its national spirit depended on a concept of military supremacy. That has been crushed. Germany was a great capitalist and militarist empire; she is reduced, for the time being at least, to a position of minor importance among the European nations.

The German people are discouraged and bitter. They are discouraged because, under the Treaty, they see no way to resume their national life. They are bitter, because they feel that they were made the victims of a world conspiracy, led by the French.

Germany has had a political revolution. The Kaiser and his power of decision have been replaced by a republic with a constitution that is advanced, as republican constitutions go. But those who sought to extend the German Revolution and to make it economic as well as political were met with machine guns in the hands of one faction of the Socialist Party.

The wave of Spartacide agitation has abated for the moment, but the majority Socialists are in disrepute, and the Independent Socialists, who are advocating approximately the same thing for which the Spartacides did their fighting, are gaining in strength. How far the Germans are restrained by a feeling of weariness and despondency, and how far by the fear of Allied attack and occupation in case of an economic overturn, it is difficult to say. Both factors enter powerfully into the situation.
The leaders of the Independent Socialist Movement explain the matter in this way: "We have watched the Russian Revolution," they say, "and we are trying to learn from their experience. Their greatest failure was the failure to maintain the production of the necessaries of life. Such a failure may be possible in Russia, with its vast agricultural area and its considerable peasant population. Here, in Germany, we have only a relatively small number of persons on the land. Our people are living in cities and towns, where they are dependent for their livelihood on organized industry. If, in the course of the German Revolution, there should be any considerable breakdown in the productive machinery, the results would be far more disastrous than they have been in Russia. Therefore we must bide our time. Beside that, the Allied troops are already on German soil. In case of a revolution, they could over-run the country in a few days' time. We have no such stretches of impassable country as those which separate Moscow from the remainder of Europe."

Thus are the German leaders thinking. They are planning for a scientific, ordered revolution, managed in true German form. Whether they can carry the country through the coming winter on such a "watchful waiting" program, remains to be seen.

Meanwhile, the mantle of active, revolutionary activity has descended upon Italy, where the red flag has been run up over some of the largest factories and some of the finest estates.

Throughout the war, the revolutionary movement was strong in Italy. The Socialist Party remained consistently an anti-war party, with a radical and vigorous propaganda. The Armistice found the Socialist and Labor Movements in the North, with a growing movement in the South for the organization of Agricultural Leagues.

The Socialist propaganda in Italy has been very consistent and telling. The paper "Avanti," circulating in all parts of the country, has been an agency of immense importance. The war, the Treaty, the rising cost of living, the growing taxation—all have prepared the ground for the work that the
propagandists have been doing. Their message has been: “Make ready for the taking over of the industries! Learn what you can, so that, when the day comes, each will play his part. When you get the word, take over the works! There must be no violence—that only helps the other side. Do not linger on the streets, you will be shot. Remain at home or stay in the factories and work as you never worked before!”

That, in essence, has been the Italian Socialist propaganda—simple, clear and direct, and that is, in effect, what the workers have done.

The whole matter was precipitated by a strike and lockout among the metal workers who began to occupy the factories, to hoist the red flag and then to go on with production. The employers evidently regarded the movement as a joke—when the raw materials are exhausted, they said, the thing will stop of itself. Besides, they said, what can the workers do with the products? Their contentions would have been correct had the movement been confined to the metal industry; but it spread—spread with astonishing rapidity—to the factories in other industries; to the ships; to the smaller railroads; to the estates. There was little violence. The workers avoided collisions with the police and the military. It was not riots they wanted, but the factories.

The returned soldiers have been a factor of large importance in the Italian Revolution. They were radical throughout the war. The peace made them revolutionists. “The Proletarian League of the Great War” is an organization that has sprung up during the past few months. It is affiliated with “The International of Former Soldiers,” which comprises the radical elements among the ex-service men of Great Britain, Germany, France, Austria, Italy and a number of the smaller countries. There are over a million dues-paying members in this International, and their avowed object is propaganda against war and in favor of an economic system in which the workers are in control of the industries. It was this group in Italy—particularly in the South—that carried through the project of occupying the estates.

“But why does not the Italian Government do something?” demands the astonished American.
The answer is very simple—the Italian Government, like almost all of the other capitalist governments of Europe, is weak. The taxes that it must collect are so high, and its failure to function is so complete, that it cannot command the support of its people.

There is another answer—equally simple—that has been given to me by a number of people who have made a careful study of the Italian situation. Italy is having a new birth. Once before the Renaissance came out of Italy, and the young Italian men are preparing to have it come from there again. It was the Italian cities that were the first to add to their other burdens the care of the starving Austrian children. There is a new life in Italy, and even the members of the bourgeoisie are calling for an organization of society that will function with greater efficiency than that of the pre-war capitalism.

Whatever may be the motive that is animating the Italian Government in its present policy, certain it is that the work of building the new order of society has progressed with an unexpected rapidity and vigor, and that it has been carried out, not by any pre-determined, centralized plan, but by the workers, who have determined, in each given locality, that the time for action had come.

A word about the situation in France, which is still going through the motions of being a capitalist empire. The government is just floating a new loan at 6 per cent., to meet running expenses. This loan, of an indetermined amount, comes on the heels of a revenue law that puts seven-eights of the tax burden on the consumers, and it is to be added to the 37 billions of francs that have already been piled up in the form of a national debt. There are more than 120 millionaires in the Chamber of Deputies, and since his accession to the Premiership, Millerand has served this group to the best of his ability—squeezing Germany; supporting Poland; attacking Russia; recognizing Wrangel,—in short, forcing upon Europe a policy of imperialism that is quite in keeping with the status of 1913, but that can hardly be expected to survive the pressing demands of the present revolutionary epoch.
The devastated areas of France are still in a pitiful state of ruin—and they included the richest industrial areas of the country. There is unemployment in the seaports and in the textile centres. The people are groaning under the tax burdens. Prices have doubled within the past year. A few are growing fabulously rich, and since they are in physical control of the government, they have succeeded in having the tax schedules so adjusted that they pay a very small share of the cost of keeping the old machine running. It is probable that in no other corner of the world have the profiteers had so unfettered an opportunity as they have had in France since the beginning of 1915—and the people know it.

It is hard to find a worker in France who is not a Socialist. The labor unions count two millions of members. There are over a thousand cities and towns that elected Socialist officials in December, 1919, and the sentiment is far stronger now than it was at that time.

On the other hand, the workers suffered a severe defeat as a result of the strike of May, 1920, which was begun as a “nationalization strike” by the railroad workers, and which ended as a disastrous general strike, poorly organized and very badly led. To make matters worse for the workers, Millerand, in control of the government forces, has only just emerged from the radical camp. He knows the workers and their movement. He struck quickly and decisively, and for the moment, he has won. Between five and six thousand of the leaders of the strike went to prison; 25,000 of the leading spirits in the railway unions were discharged; proceedings were instituted against the General Federation of Labor, and a campaign of misrepresentation and bitter attack was carried on through the press against the whole labor movement. The workers refer to this episode as a “check.” They regard it as nothing more, and their propaganda is being carried on with renewed vigor.

The capitalist imperialism of France, with its debts; its taxes; its adverse exchange rate; its depreciated paper currency; its Syrian War; its Polish Campaign, and its load of ruling-class ambition, moves toward the coming winter with steps that are none too steady. The old order remains
—that is the most that can be said of it. How long it will survive is a matter of considerable speculation. Prices are exceptionally high; coal is very scarce; work is hard to get; the people are asking, "How are we to live?" It is a critical juncture.

The capitalist system is stronger in Great Britain than in any of the other warring countries of Europe. Before the war, it rested on a surer foundation. During the war, it withstood better than any other the financial and industrial demands. Since the war, it has made the best recovery.

There is an imperial pride and a feeling of imperial solidarity in Great Britain that has no parallel in any other capitalist country outside of the United States, and possibly Japan. The British working class feels it to a degree; the British middle and upper classes are swathed in it. For this feeling, there is a broad foundation in fact. Not since the days of Imperial Rome has any nation held so large a measure of world power and held it for so long. As merchants, as soldiers, as colonizers, as exploiters, the British are to-day without peer.

Great Britain is the most successful of the capitalist states. With her, capitalism is at its best, and, all other things being equal, the capitalist system should last with her longer than with her less efficient rivals. And, indeed, that is the present outlook. At any rate, the other capitalist nations of Europe regard Great Britain as the inner citadel of European capitalism.

The British Labor Movement is seeking to take this citadel from within.

The British people, like the people of all the other belligerent countries, are suffering from high rents, high prices, unemployment and profiteering. Reasons for discontent abound, and the visitor to the British Isles need not go far to discover them.

This discontent with the present system of British capitalism does not take the form of revolutionary propaganda. On the continent, the word "revolution" is on the tongue of every labor speaker, even among the most conservative. Not
so in Great Britain. There one must travel far and listen long before hearing it. There are revolutionists, of course, but the stolid British temper does not vibrate to the word "revolution." At the same time, in the British Isles, the revolution is afoot. Those who are directing it want to have the changes made gradually; they are anxious to take each step in the light of full discussion, but they are none the less determined that the steps shall be taken.

The British Labor Movement is a formidable affair. There are not more than a hundred thousand members in all of the Socialist parties, in the Independent Labor Party and in the Communist Party combined. There are between six and seven millions of members in the trade unions.

Americans have difficulty in realizing the meaning of these figures. If there were an equal proportion of union members in the United States, instead of the present four and a half millions there would be between twelve and fifteen millions. Every important industry is organized in Great Britain, and in most cases they are organized close to one hundred per cent.

Many of these union men are conservative. On the other hand, many of the leaders and myriads of the followers are eager to announce themselves as in favor of everything that the most radical of the French Syndicalists and the recognized leaders of the Russian Soviets are standing for. They propose different methods, but they are aiming at the same objective. The development, during the war, of the shop-steward movement gave an inkling of the path that the British Labor Movement hoped to take. The movement came in spite of some of the more conservative leaders, but it came, none the less.

There is a solidity about the British Labor Movement that must be seen in order to be understood. British workers feel it and rely on it.

The character of this solidity was well illustrated at the Portsmouth Congress in September, 1920. The miners had just taken a strike vote that showed the sentiment about three to one in favor of the walk-out. The capitalist papers immediately seized upon this divided vote as a sign that the
labor movement was about to split. The fact was played up day after day, and there were numerous predictions as to the sides that the various factions would take when it came to the Portsmouth Congress. In short, the press went out to split the Congress, and their best men worked overtime at the task.

The amount of publicity that was given to the situation might have wrecked a less experienced group of men than the leaders of the British movement. But they were on to the game. They went to Portsmouth determined not to be split. There were nearly a thousand delegates on the convention floor, and in a number of cases, matters were brought up that threatened a serious division. By mutual consent these matters were laid aside until some more auspicious time. The Congress, after a six-day session, adjourned as a solidly united body.

Yet there was no mistaking the temper of the Congress. It throbbed with suppressed enthusiasm at every mention of Soviet Russia. When Smillie rose, with his constant reiteration of the Socialist position, in theory as well as in name, he was cheered to the echo. The Congress was for a “nationalization” that would give the control of the industries into the hands of the workers.

Perhaps the best test of the strength of the British Labor Movement came in the summer of 1920, over the prospective war with Russia. Warsaw was threatened. Its fall seemed imminent, and both Millerand and Lloyd-George made it clear that the fall of Warsaw meant war. The situation developed with extraordinary rapidity. It was reported that the British Government had dispatched an ultimatum. The French Labor Movement, which had just finished the celebration of Jaurès Day, looked about wonderingly; the Italian Movement shook itself. In Britain, the Labor Movement acted with a strength and precision that swept the Government off its feet and compelled an immediate reversal of policy.

Over night, the workers of Great Britain were united in the Council of Action. As originally constituted, the “Labor
and Russia Council of Action” consisted of five representatives each from the Parliamentary Committee of the Trades Union Congress, the Executive Committee of the Labor Party and the Parliamentary Labor Party. To these fifteen were added eight others, among whom were representatives of every element in the British Labor Movement. This Council of Action did three things—it notified the Government that there must be no war with Russia; it organized meetings and demonstrations in every corner of the United Kingdom to formulate public opinion; it began the organization of local councils of action, of which there were three hundred within four weeks. The Council of Action also called a special conference of the British Labor Movement which met in London on August 13. There were over a thousand delegates at this conference, which opened and closed with the singing of the “Internationale.” When the principal resolution of endorsement was passed, approving the formation of the Council of Action, the delegates rose to their feet, cheered the move to the echo, and sang the “Internationale” and “The Red Flag.” The closing resolution authorized the Council of Action to take “any steps that may be necessary to give effect to the decisions of the Conference and the declared policy of the Trade Union and Labor Movement.”

The “Council of Action” is regarded as unconstitutional by the Government, but as yet no move has been made to interfere with its functioning. Organized for a specific purpose, the central Council has made no effort to extend its activities beyond this field. The situation is far different among the local councils, of which there are now more than three hundred, situated in every important industrial centre in the British Isles. Among the miners in Wales and the ship-workers in Scotland, these local councils are looked upon as Soviets, and their members are prepared to function in that capacity whenever the need may arise.

Meanwhile, the Council of Action continues to sit—an unofficial body backed by an industrial mandate that makes it far more powerful, in a negative sense, than the Cabinet. The British Labor Movement seems to be united to a man
on this Russian question, and on that issue the Council of Action could undoubtedly stop every wheel in the United Kingdom on twenty-four hours’ notice.

That is the present position in the “Citadel of European Capitalism.” The Government is forced to deal with a body that, for all practical purposes, is determining the foreign policy of the Empire. Behind that Council is an organized group of between six and seven millions of workers who are out to get the control of industry into their own hands, and to do it as speedily and as effectually as circumstances will permit.

So much for specific situations in Russia, Germany, Italy, France and Great Britain. The revolution is afoot in the smaller countries as well, but the facts of these five countries are, for all practical purposes, the facts of Europe.

On the continent, capitalism is dying or dead. In Great Britain it survives—for a time. In Russia the new order of society has been constituted, and the workers of the other great countries are watching eagerly to observe the outcome. In Italy, a movement to take over the industries is under way. Germany and Great Britain are promised an orderly, scientific revolution. French reaction struts its little hour upon the stage of a decadent imperialism, paying its bills with paper money and borrowing to meet the interest on its debts. The masters of yesterday have reached the point where they can see their power dissolving. The directors of the new order are girding themselves for action.

No American who has not seen Europe since the war can form any concept of the completeness with which the five years of struggle crushed the old form of society; of the terrible suffering that is accompanying the transition period in some of the central and eastern countries; of the sublime courage and faith with which the builders of the new world are sacrificing and laboring; of the confidence, in the heart of the ordinary man and woman, that when the time comes, they will be able to do their part in making the new society a success.
Europe has lived through six awful years. There are more years ahead—equally terrible. The coming winter will be a test in practically every one of the continental countries. Yet hope springs, and the people see a new day before them.

That is really all that I intended to say, but I should like to add just a word that I wish you would repeat, for me, to those Americans who are convinced that you can prevent a revolution with an injunction.

When Europe entered the war, in 1914, her people had no idea of revolution. They were out for "Victory" and "Glory." In most of the countries there abounded the same kind of nationalism that is so generally met with in the United States at the present time, and that has as its motto: "America first!" They fought for national advantage; they gained world revolution.

In other words, they got something very different from the thing they went out after. Also, they gained a great deal of experience that I should like to summarize, for Americans, in a few sentences. They learned:

1. That a well organized and apparently sturdy civilization, the work of generations, can be destroyed by a war within a few years.

2. That the thing called "revolution" is a matter of necessity, not of choice, since it consists in the break-up of one form of society, and the organization of a new form, better designed to meet the needs of the people.

3. That revolution is therefore, in the first instance, the result of the failure of the existing order of society. Those who are interested in preventing revolution must therefore turn their attention, first, to the problem of making society serve the needs of those who live in it. If they cannot succeed in this, the coming of revolution is only a matter of time and of opportunity.

4. That the actual process of dissolution is a nasty business—a strain on everyone. The ruling classes of Europe have been compelled, as one might say, to watch
their own death struggles and to sit in at their own funerals. That is a task which no one can be expected to relish.

5. The violence, accompanying the recent European revolutions, has apparently been begun, in every instance, by those members of the ruling class who refused to be put aside, or by some government representing their interests. There is no instance, so far as I am aware, where the violence has been started by the masses of the revolting peoples. On the contrary, in Russia, in Hungary, in Germany and in Italy the people went out of their way to avoid disturbance. In all of these countries it was the police, the soldiers, the counter-revolution, or an invader that began the trouble.

6. That during a revolution, as well as at all other times, the people must be fed, clothed, housed, and rendered as comfortable as the circumstances will permit.

7. That, therefore, no pains should be spared, by those interested in the establishment of a new society, to see that production is maintained; that the machinery of distribution is in working order; that the schools and the press and the various forms of recreation, education and amusement are placed on a basis of superior efficiency, and above all, that life continues as peacefully as possible during the entire period of transition.

8. That during the period of transition, power will be concentrated in the hands of a few persons—more or less representative—exactly as it was concentrated during the American Revolution. That such a concentration is temporary, and must be regarded as such not only by the masses of the people but also by those who exercise the power.

9. That, finally, the success of the revolution, in providing a better opportunity than that afforded by the old society, for life and happiness, depends upon the intelligence, the courage, the foresight, the idealism and the scientific knowledge of those upon whom the responsibility falls for directing the change.
Europe, during the last six years, has learned some valuable lessons, for which she has paid a bitter price. There is not an American man or woman, interested in the future of his country, who can afford to ignore this experience.

Here's hoping that our people may be wise enough to profit by the failures and successes over here.

Scott Nearing.
The Socialist Party Needs You

But it needs you trained in the best ways of doing things and educated in the knowledge of International Socialism.

Every State, every city is calling for organizers, speakers, writers and secretaries. Sometimes these positions are compensated, sometimes not. Do you want to respond to the call?

The day of fighting capitalism with a few devoted soap-boxers is past. Now we must prepare ourselves to meet their methods with equally good methods. Capitalism has all the money it needs to train its agents. The Socialist Party has not.

But in a few months' work at the Rand School of Social Science you can equip yourself to respond to the call of the workers' militant movement. In our six months' Full-Time Course we give you courses in the theory of Socialism and all Social Problems, and also practical courses in Organization Methods, in English and Public Speaking.

The Course begins immediately after Election and ends early in May. Begin to prepare now for next year. Send for full information to

THE RAND SCHOOL OF SOCIAL SCIENCE
7 EAST 15th STREET
NEW YORK CITY
Study Socialism By Mail!
The RAND SCHOOL OF SOCIAL SCIENCE
Offers Two New Correspondence Courses!

The Human Element in Economics
By
SCOTT NEARING

Three months' course. Examinations. Text-books.
Fee $5.00
Special rates for groups.

The Fundamentals of Socialism
By
DAVID P. BERENBERG

Three months' course. Examinations. Text-books.
Fee $5.00
Special rates for groups.

SEVEN OTHER COURSES
On
History, Socialism, Economics

For further information write to
DAVID P. BERENBERG
Rand School Correspondence Department
7 East 15th Street, New York City
The Rand Book Store
7 East 15th Street, New York, N. Y.

A center for Socialist and Radical Books and Periodicals. — A Store where any book on the market may be ordered. All profits on the sale of books go to the support of the school. Therefore every book you buy or order of the RAND BOOK STORE contributes to the welfare of the Workers' University of the United States. Catalogues and lists of books on special subjects sent FREE on application.

Subscribe for your periodicals through the RAND BOOK STORE

We ask your patronage for the benefit of the RAND SCHOOL
PUBLICATIONS of
The Rand School
of Social Science

Hands Off Mexico. Turner ........... 35c
The Communist Manifesto. Marx & Engels 15c
American Labor Year Book (1919-1920) ... 2.00
Soviets at Work. Lenin ............. 10c
Work and Pay. Nearing ............. 15c
Europe In Revolution. Nearing ...... 10c
The Coal Question. Nearing ....... 10c
Labor and the League of Nations. Nearing 10c
The Debs Decision. Nearing ....... 15c
The Trial of Scott Nearing and the American Socialist Society. Paper, 50c; cloth, 1.00
One Big Union of Business. Nearing .... 10c
Scott Nearing's Address to the Jury .... .05
From Fireside to Factory. Lilienthal .... 10c
Woman of the Future. Lilienthal .... 10c
American Socialists and the War ...... 10c
Must We Arm? (Debate, Hillquit-Gardner) 10c
Public Ownership Throughout the World.
Laidler ................................ 10c
Food and the People. Waldman ...... 10c
Socialists in the New York Assembly.
   Claessens and Feigenbaum .......... 25c
Socialists in the New York Board of Aldermen. Clark and Solomon ....... 10c
The Salaried Man ..................... 10c
The Albany "Trial." Solomon ....... 25c
Socialism. Berenberg ............... 10c
Present-Day Socialism. Hillquit.
   Paper, 25c; cloth, ................. 50c
Russia and Germany at Brest-Litovsk.
   Magnes ................................ 1.00
Bolsheviks and Soviets. Williams .... 10c
Memoirs of the Russian Revolution. Lomonossoff .............. 35c
Sunday School Curriculum. Greenberg ... 50c

Address All Communications Concerning Books to
RAND BOOK STORE
7 East 15th St., New York City