

PROFESSOR NEARING
REBUTTAL

"Is there any," says Professor Seligman, "progressive tendency in capitalism?" Yes, I think so. I think he has a little overdone it in assuming all of the virtues of the industrial revolution as the sole right and sole property of capitalism. All of the advantages of the machine will not accrue solely to capitalism. He told you that wages had risen since 1840 I think, production has increased, locomotives have been brought in, incandescent lights have been put up—all of these things during the capitalist era. Would they have been done if there had been no capitalism? I cannot answer that. But I want to assure you that these same railroads and these same incandescent lights will be installed all over Europe, all over Asia and Africa, before we get through with it, whether under capitalism or under socialism. The product of the machine is a heritage of the race now; and not a peculiar product of capitalism; nor can it be claimed today by any particular social scheme.

Do I regard capitalism as progressive? Yes. We have had progressive panics—I call them successive panics—ever since 1814, and I defy Professor Seligman to show that under the capitalist method of one man owning the job, another man working it, and the job owner getting a part of the product of the worker in the form of a surplus—I defy Professor Seligman to show you under those circumstances there will not be successive panics. That is, under capitalism intermittent starvation will be the lot of the worker, and tinkering with the capitalist system will not stop it (Applause). Under capitalism industrial slavery is progressive. In the early days of capitalism any man could get a job by going out to the frontier and taking a farm. The frontier is gone. Capital is required in large quantities. If you want to open a successful business, it needs tens or hundreds of thousands of dollars. Only a few can start in business. Most of us must remain workers. The old factory was a little two-by-four concern. The modern factory employs you with a thousand or five thousand others. It locks you in a great city. It shoots you back and forth, not in Ford cars, but in subways, elevators, and other similar means of transportation (Laughter and Applause). You have become a part of a mechanism that is growing continually harder more set, more firmly established, where the chance to rise out of the ranks of the workers is diminishing. That is progressive

also. There is no doubt that capitalism is progressive, and, as I said at the beginning, that industrial slavery is progressing faster than anything else. Among other things, thirty-five states have now established peace-time espionage acts.

Then there is another thing that is progressive under capitalism. I refer to war. I have a little article here called "An Economic Interpretation of the War," written by Professor Seligman (Laughter). He found an author on "Wages" that did better than I did, but I have not found anybody on the War that has been better than Professor Seligman (Hearty laughter and applause). So I am going to quote what he has to say (Laughter).

"While economic considerations indeed do not by any means explain all national rivalry, they often illumine the dark recesses of history and afford on the whole the most weighty and satisfactory interpretation of modern national contests which are not clearly referable to purely racial antagonisms alone."

And then he goes ahead to develop the idea of the struggle for trade, the idea of the struggle for markets, progressing up through the various stages of modern industrial society.

"The most important phase of modern industrial capitalism still remains to be explained. After national industry has been built up through a period of protection, and after the developed industrial countries have replaced the export of raw material by the export of manufactured commodities, there comes a time when the accumulation of industrial and commercial profits is such that a more lucrative use of the surplus can be made abroad in the less developed countries than at home with the lower rates usually found in an older industrial system. In other words, the emphasis is now transferred from the export of goods to the export of capital."

That, says Professor Seligman, was the stage of Britain before this war. Germany had just reached that stage. With what result?

"To say, then, that either Great Britain or Germany is responsible for the present war, seems to involve a curiously short-sighted view of the situation. Both countries, nay, all the countries of the world, are subject to the sweep of these mighty forces over which they have but slight control, and by which they are one and all pushed on with an inevitable fatality."

The war is over. Germany is gone. But Japan and Great Britain and the United States each have tens of billions of surplus accumulation capital that must be exported, and those great forces that swept Europe into the catastrophe of 1914, as Professor Seligman says, are now sweeping Japan, Great Britain and the United States into even a greater disaster—those same progressive forces of capitalism (Applause). Yes, it is progressive. It goes right on building up intermittent starvation, industrial slavery, war. They are in the system and they are part of it.

There is also a progressive tendency in socialism. I spent last summer in Europe. It is like going from—well, shall I say it is like going in summer time from a hot basement room into a refrigerating plant. You get a breath that makes you stand up and feel almost at home again. All over Europe is growing the spirit of solidarity among the workers. Why, last summer when they tried to make a war between Russia on the one hand, and England and France on the other, the workers of France organized—ex-soldiers, socialists, labor unionists, all got together with the slogan, “Not a man, not a sou, not a shell for imperial Poland against working class Russia.” (Great applause). In Great Britain seven million men appointed a Council of Action, and they said to the British Cabinet, “If you inaugurate a war with Soviet Russia within twenty-four hours, every wheel of every basic industry on the British Isles will stop turning (Applause)—solidarity growing all over Europe. The miners met, the transportation workers met, the metal workers met, the railway workers met during this crisis last August, and one and all passed resolutions declaring that if they tried to make a war on Russia they would not transport, they would not manufacture, they would not ship, they would not handle war products of any kind—solidarity growing, the sense of solidarity everywhere. Even here in the United States it is growing. It cannot show its head now and then, but it is growing everywhere among the working people (Applause). The Russian revolution came in 1917, came almost out of a clear sky, came because the old system in Russia had broken down under three years of war, and the Russian workers, ill-prepared, without technical experience, lacking transportation, unequipped with machinery—the Russian workers undertook to set up a new social order.

The old order had been the order of the Czar. The new order was based on this section of their Constitution—"He that will not work, neither shall he eat"—a phrase that runs back at least two thousand years. That is the idea they set out on, that the workers should be the basis of this new order of society. In the Russia of the Czars the basis of power had been the loafers, the professional aristocrats. In the new society, said the Constitution of the Soviets, "He that will not work, neither shall he eat nor vote." That was the new order they tried to set up. Well, what happened? They made a sanitary cordon about Russia. They inaugurated a blockade. Japan, France and the United States sent in their armies and they made war on Russia. We sent in our army to save the Russian people from the Bolsheviki (Laughter). Our soldiers were not cordially received. Neither were the other allied troops. That fell down, and it fell down because the soldiers of allied Europe would not go there to fight. And then we tried another stunt. There was Yudenich, there was Deniken, there was Kolchak, and there were all these other adventurers making civil war. And we gave them money, supplies, munitions, furnished them with equipment, and said, "Go to it, boys. Stir up as much trouble as you can." And that did not work.. They have just gotten rid of Mr. Wrangel over in Russia. And then we financed all the little countries. Why, last summer French officers were directing the Polish army, and the *New York Times* published a picture of a brigade of Polish soldiers equipped with American, British and French uniforms and equipment. For three years we denied them medicine. For three years we denied them food. For three years we starved their women and children while we supported insurrection at home and made war on them abroad—for three years after they had already had three years of war! And now Professor Seligman wants to know whether that is a fair example of what socialism can do. (Thunderous and prolonged applause).

Professor Seligman wants to know what I think of Lenin and Trotsky. Now I will tell him if I can (Laughter), and in a word. I think that when the history of this period comes to be written that there is not a man nor a woman in this hall this afternoon whose name will stand that high (indicating) with the names of Lenin and Trotsky in this period (Great

applause). There are not two braver men in the world today, men who have stood up in the face of great opposition and steadily have worked for the end in which they believe. Do I agree with their theories? With some of them I agree, and with some of them I don't. You could not agree with both Lenin and Trotsky because they don't agree with one another (Laughter and applause). But just as I regard the Russian revolution as the greatest event in history since 1676, just as I regard it as the epoch-making event, the dividing line between capitalism and socialism, so I regard these two men as two of those whose names will go down as having played mighty roles in that page—the great page of our modern history.

I'd like to tell you something further. I said that socialism was progressive as well as capitalism. Now you think over here because of what you read in the *New York Times* that the Russian revolution is not very popular perhaps in Europe. I want to tell you that you cannot go in Europe today even in the mercenary little countries built up around Russia by the treaty, you cannot go in and raise a real respectable army of working men to fight against Russia (Applause) because now—I have only two more minutes—because the workers of Europe believe in Russia (Applause). The workers of Italy have started to make their revolution. The workers all over central Europe have started to make their revolution. There is not a country of any considerable size in Europe where the workers are not today busy preparing the foundations of the new socialist state.

Is Russian liberty, says Professor Seligman symptomatic of liberty in general? No. Civil war, blockades, all of the horrors that we have added to their period of transformation, all of those things are non-symptomatic of socialism in general. But in Russia they have taken over the resources, they have taken over transportation, machinery, they have taken over the factories, the community owns the means of its own livelihood. And they have appointed a Supreme Council of National Economy, and they are going to organize the nation as an economic unit on economic lines. It is the first time in history that it has ever been attempted. If it does not succeed in Russia it will succeed somewhere else, maybe here, because that is

symptomatic of socialism—the application of modern organized intelligence to the problem of getting a living. Prolonged applause).

THE CHAIRMAN: Ladies and Gentlemen: This is the third and last round (Laughter). Professor Seligman leads off.