

# THE REVOLUTION IN CURRENCY.

By C. E. EDWARDS.

At the moment of writing, the Capitalist nations of the world, and the bankrupt nations, Germany, Austria, Hungary and Bulgaria, are met in conference at Brussels, to find new ways and means of carrying on the rapidly failing business of international trade and finance. The big international financiers who dwell in a fool's paradise during the war, gambling excessively and rioting in the enormous surplus wealth produced by the sweat and blood of the working-class, are now panic-stricken, being faced with a worldwide breakdown of credit and finance.

Do British working men realise that the great Eastern lands contain vast stores of commodities which cannot be exchanged for lack of controlled and regulated trading power and liquidation in Western lands? Still, while the granaries and warehouses of the East are overflowing with raw materials, the proletariat there is ground down in poverty.

Whilst Russia has solved the problem by a sweeping system of socialisation, the Continent, endeavouring to bolster up the old rotten structure, is practically bankrupt, and a revolution in currency, affecting the en-

tire world, is going on in the keenly competing capitalist countries—England, Japan and America. In the latter country, the only remaining one that still maintains a gold standard of circulation, credit currency has risen from 25 billions dollars before the war to 70 billions at the present day. Actual paper money has increased from 7 to 50 billions, while the gold

reserve is but 7 billion dollars—an increase of one billion over the pre-war quantity. Because of the backwardness of organised labour in America, and the apparent stability of the Capitalist system, that country might comparatively easily depreciate her currency to the point where commodities can appreciably be expressed in terms of gold. This policy, however, would involve a certain dislocation and readjustment of industry, with a consequent decrease in accumulated capital, which the Government dare not face.

## **The Battle Between London and New York.**

On the other hand, England is indebted to the United States for over £865,000,000, which daily tends to grow greater, as the exchange rates move against this country. The National floating debt is 50 per cent. more than the foreign. *The annual interest that the workers of England must pay on this huge foreign debt, practically amounts to more than what can be paid off yearly in instalment on the principal.* We must pay this debt in goods or gold. We haven't enough of the first to give, for we can no more obtain cheap raw materials on long terms of credit. And much

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what we might give. America would not care to take. Hence, the insistent demand of the American financiers for gold payments.

This urgent demand creates a panicky feeling in banking circles in London, for it is plainly an American bid and threat to have the financial centre of the world, the gambling mart, transferred from London to New York. The workers of England should guess what lies in store for them, between these two opposing forces, if they do not effect the social revolution here before the crisis comes to a head.

#### The Labour Party's Policy.

Among other things, the Labour Party urges a deflation of the currency, and a League of Nations' international loan to meet the exigencies of the situation. Close observers of the financial and labour world should know that a quiet deflation of the currency has been in operation for weeks—a fortnight ago, over half a million pounds currency notes was withdrawn from circulation within a week—resulting in thousands of workers being forced out of employment. And an international loan is improbable as, barring the United States, no country can afford to lend very much. The Labour Party has no international policy. It flouts Moscow, the real heart of Internationalism to-day, but it has nothing to offer us. Winston Churchill was correct when he said: "Labour was not fit to govern." The Labour Party thinks it can solve international problems by mouthing Christian platitudes through the columns of the *Daily Herald*. Its chief point, depreciating the currency in terms of gold, to bring down prices, is worthless. It would certainly bring distress and disorganisation to the working class, and make commodities cheaper only for the already wealthy classes. The production of gold itself has diminished by 27 per cent. during the last decade, whilst the metal as expressed in commodities, has been reduced to nearly 50 per cent. of its pre-war value. No one knows how much more valueless gold, in spite of its scarcity, might become in proportion to the necessities of life. It were better for revolutionaries if its value should keep on decreasing.

#### The Gold Standard Destroyed.

The gold basis of commodities in Europe is destroyed for ever. If it be maintained in America, it can work little harm to the rest of the world, if we establish Soviets in all of Europe. In the different countries, Government bonds have taken the place of money currency for the internal exchange of goods: international ex-

change is regulated either by goodwill in currency or barter. There is a Continental school, which would try to stabilise the currency as it is, opposed to a conservative British school that hankers after the dead order of things. Behind the Continental school, centred in France, is a group of big British financiers, on whose strength the French gamblers (so that they may continue their military exploits), buy and sell the English pound on the American market, thus keeping the exchanges in an ever-fluctuating state.

#### The Slave States of Germany and Central Europe.

Such is the condition of Central Europe, on account of White Guards' activities, that the workers there can hardly work, but are reduced to a despairing rabble. And our German brothers and sisters deprived of their productive machinery, are toiling in virtual slavery for the French gamblers. This is the chaos that the International Capitalists and their bourgeois servants are trying to straighten out in Brussels, at the expense of the workers of the world.

The Jingo Capitalists are solely responsible for the terrible plight of the working people of the world to-day. Yet our wretched masters appeal to the crude patriotism of the workers, and try to fix the blame on the war, the Germans and the Jews. Belgium, which was overrun by the German hordes, is on the Capitalist road to prosperity. Even Northern France, in spite of the brazen militarism of her Imperialists, is in a fair way of rehabilitation. But Germany, which was not devastated, cannot get on her feet—nor can Central Europe. Why? For the vital instruments of production, tonnage, rolling-stock and coal, have been wrested from them by Allied Capitalism, which lacks the necessary material, equipment and capacity to use the looted machinery for needful productive purposes. The workers of Germany and Central Europe are now helpless slaves and the slaves of the Allies are exhorted to toil harder and harder to feed and clothe their victimised fellow-workers of the Continent, and the thousands of black and white soldiers that the Allies maintain in the occupied areas to prevent Germany and Central Europe adopting the Soviet system of government—the only way out of the capitalistic chaos that the workers can choose. The capitalist drones proclaim the Word of Humanity and the harlot church, the prostitute press and the little labour leaders parrot the pious lie: "More production in the old way," which means keener competition and greater exploitation of labour. That is the concern of Capitalism for Humanity.

We may sit by and say that it is too late, the system cannot be saved. But it may survive in another form. It is for the workers to destroy it. Japan, America, and England are waging a grim war against each other. The Japanese are successfully capturing British trade in India and other Eastern lands. America is selling in Britain manufactures and food-supplies cheaper than the British can produce and sell these things to their own people. All these nations are seeking to exploit the backward-peoples of Asia and Africa to secure cheap raw materials and cheap labour, which will enable them to dictate the terms of working-class existence to their own proletariat.

The cry of the labour leaders, bourgeois humanitarians, and financial experts like Sir George Paish, for the workers to increase output to save Europe, is a false alarm. There was a great increase in production during the war, when millions of men were taken from productive work to slaughter each other. Under Governmental bureaucracy, new industries of destruction were created to win the war, and millions of pounds and rich securities were put into the bulging pockets of the capitalists. After the war, many of these worthless industries were favoured by the Government for the sole benefit of the employers, although it was pretended that this was done to absorb the ex-service men. Soldiers and non-combatants came back from the war in millions, to purchase life's necessities with inflated Government notes, while engaged in unnecessary work. The capitalists retain and seek larger profits, with the resultant economic conditions confronting the world to-day. Visitors to Germany and Central Europe, declare that there is an abundance of food, luxuries and delicacies in these countries, which only the very wealthy can procure. The poor working-classes, which are absorbing the middle-class, are starving. The acute distress in food and housing conditions is entirely due to the monstrosity of the capitalist system. Russia is the only country that has grappled successfully with the matter; and she could only achieve success by a drastic system of socialisation. By abolishing the old money system and establishing commercial relations based on goodwill and co-operation, she will attract all the countries of the East to her. Russia's triumph will bring a great new life to all the workers of the world. Her way is the only way for Western nations to follow. Any other way will only bring defeat and destruction to the Cause of the workers.