

The Arbitrator

[This section of The Nation does not necessarily represent the views of the editors, but is in the nature of an open forum. Communications should be addressed to The Arbitrator, P. O. Box 42, Wall Street Station, New York City.]

Can Liberals Unite?

AT this time of year the thoughts of every good citizen should turn to politics. He (including the ladies, of course) must decide whether he will vote the Republican ticket because his father did, or the Democratic because he heard the candidate speak, or if he will cast his ballot for the best man regardless of platform, or select the probable winner. These are prevalent reasons, and about the best to be found, for supporting the two old parties. It makes little difference which is preferred. One may favor a league of nations with modifications, and the other may oppose a league of nations unless modified. Fundamentals will remain substantially as at present under either Democrats or Republicans. The welfare of the majority will be lauded; the prestige of the minority will be maintained. Whichever wins, the country will be preserved as it is and it will be the same old world.

To make a new world there must be a new party.

The main thing for the intelligent voter to decide, therefore, is whether the old world is comparatively satisfactory, or if radical changes will produce greater happiness for a greater number. The claim of the conservative is that even if the lot of the average man is hard, which is rarely admitted, the hardships are a natural concomitant of life on earth, and will be accentuated instead of relieved by the adoption of any of the wild schemes of would-be reformers. On the other hand, those who have faith in the world, faith that Mother Earth can support a certain number of children in comfort, are willing to experiment by the inauguration of a new set of political principles designed in all sincerity to reduce to a minimum the inequalities and discomforts of life for the majority under the present system.

There must be a platform that will be supported by the American Federation of Labor, 3,900,000 strong, and by unorganized labor; one that will appeal to Socialists as progressive and to fair-minded capitalists as a judicious compromise. The activities of the various small parties have been beneficial in forcing the old parties to adopt new ideas as public clamor demands them, and it has seemed as if this was the best that could ever be accomplished by progressives. Even so, such efforts would be worth while. But if a party could be formed with a platform so constructed as to justify a belief in increased prosperity for those who work for others, there might be so great a demand for the promised improved living conditions that a combination of the Democrats and Republicans would be lost in the landslide. The platform must be specific and clear, not so radical as to alienate all the investors nor so conservative as to be ignored by the disinherited. Above all, it must depend for its success upon the essential morality of its standards.

Where is such a platform? The Socialist Party has enunciated many valuable principles, but their autocratic methods, and avowed purpose of abolishing capital and private ownership suddenly, are too strenuous to win approval at present. The Single Tax Party proposes to derive all revenue from

taxation of land values, but has not been able to convince many liberals that it is advisable to confiscate one form of wealth only on the theory that the burden will be ultimately distributed among all. The Committee of Forty-eight has the right spirit, but was split by the birth of the Farmer-Labor Party; and neither of them appears to arouse enthusiasm.

In order to unite effectively, liberals must all yield a portion of their pet hobbies and agree upon a platform less drastic than some urge and more radical than others want, for the sake of success. It is not a compromise of one's principles to go half way along the right road. Gradual emancipation is preferable to either extreme—standpatism or a revolution. There is nothing un-American in any recommendation for a change in government provided the method proposed is legal. We are fortunate to live in a country where faith in an ideal is compatible with its Constitution.

The following platform is tentatively proposed in the hope that able politicians with social vision will revise it, or prepare a new draft on which all liberals can unite.

Arbitrary Platform

We, the Liberal Party, affirm our confidence in the superiority of American ideals, and assume the responsibility of placing before the country a more democratic standard of government than has heretofore been in operation. We pledge ourselves not only to the maintenance of the best principles of the past, but also to the adoption of all improvements that from time to time favorably impress a majority of our citizens.

Realizing that the three greatest obstacles operating to hinder happiness and prosperity are war, poverty, and injustice, we devote ourselves to their abolition, so far as is humanly possible, and request the assistance of the best minds of the nation toward that end. We appeal for support to all who have at heart the greatest happiness of the greatest number. Instead of operating a political machine for the acquisition of power and spoils, we propose an alliance for the common good, emphasizing cooperation rather than competition. The opinions of the prosperous and educated will be welcomed whenever they contribute solutions of present difficulties, but the living conditions of the manual laborer are more essential for consideration by a political party than increased prosperity for the rich. Reasonable rights of capitalists will be safeguarded, but we hold with Lincoln that labor is superior to capital and deserves higher consideration. If our population were divided between employers and employees, the latter would greatly outnumber the former; and yet when the press reports that "labor conditions are better," it means that labor is plentiful; conditions are better for the employer. This demonstrates the power of the minority to dominate the sentiment of the country. We propose to shift the ability to control affairs from the minority to the majority, and we suggest for that end certain alterations in our present form of government not heretofore attempted.

1. POPULAR GOVERNMENT

Plebiscites shall be held at regular intervals, and on special occasions, in order to make valid the following governmental acts:

(a) Any increase in the public debt. The people should have the option of refusing to burden future generations with intolerable interest and principal charges. Many debts that have appeared essential to certain lawmakers might better never have been incurred.

(b) Any increase in departmental budgets above 1 per cent annually. This would reduce the bureaucratic extravagance

which bids fair to overwhelm our people in a few years to come. Extravagance is one of the causes of the high cost of living.

(c) All treaties with foreign countries. We have a right to know what we are pledging to our brothers in foreign lands, before the agreement is made binding. In such a case as free Panama tolls, both sides of the argument should be set before the people. Secret treaties breed war.

(d) Any declaration of war, or conscription of men or of wealth for military purposes, except in case of actual invasion of our territory. Absolute freedom of expression shall be permitted even in a crisis regarding the causes of trouble and existing conditions.

(e) Decisions of the Supreme Court (except unanimous decisions) declaring legislation unconstitutional.

(f) Changes in form or rate of taxation. Congress may submit to the people two alternative plans for meeting the budget. The people can decide.

Elections are decided in a day. With polls more permanent, the procedure of a plebiscite will be simple.

2. DISTRIBUTION OF WEALTH

Government ownership, or public control of all natural resources and productive activities, may be the ultimate solution of a more equitable division of wealth, but we believe that such a cataclysmic overthrow of the established economic order is too dangerous a revolutionary measure to be adopted abruptly. Therefore we propose to enact such legislation as will curtail the privilege of the vested interests and afford greater opportunity for emancipation of the workers, without abandoning capitalism or destroying the incentive to productive enterprise, which some say is essential. That incentive would not be lacking if no one had over \$10,000 a year and no one less than \$2,000. There would still be the inducement to climb to the upper class. Profits for the owners must be less; profits for the employees must be more. Instead of having 65 per cent of the people own 5 per cent of the wealth, they should own 65 per cent. This can be approximated by legislation which does not overthrow the existing social order but gradually distributes the large estates and diminishes the possibility of further depredations by the financiers. Our proposals are as follows:

(a) A tax of 100 per cent on inheritances of over \$1,000,000.

Permanent income taxes as at present, except that the exemption for married men shall be raised to \$3,000. There shall be no indirect taxes that place a burden upon the consumer.

(b) A tax of 50 per cent on all net profits from the sale of real estate and other securities, after deducting carrying charges on a 6 per cent net basis. Legitimate profits encourage trade, so confiscation of all unearned increment is avoided.

(c) Speculation in stocks shall be prohibited immediately, as is all other gambling. Selling short and buying on a margin cause more suffering to the people than lotteries and faro banks. False values are created and no constructive work is accomplished beyond the creation of an active market. Speculation is one of the most flagrant methods of extracting money from the many for the few, and the simple act of stopping it immediately will do more to promote the welfare of the public than any proposal of either of the great parties.

(d) No incorporation shall be permitted for more than the true value of the property. Salaries shall be limited; no stock dividends paid nor bonuses granted.

The abolition of watered stock and of bonus stock and manipulation will relieve the worker from the present burden of earning dividends on fictitious capital, but will not deprive investors of a reasonable return on actual capital invested.

(e) Compulsory cooperation. After January 1, 1923, co-operation shall be compulsory, preferably on the basis that the investors shall receive a fixed return and all profits shall be divided among the managers and other employees, who shall have control of the business so long as they continue to pay regular dividends to the investors. Revaluations must be made

and the par value of stock reduced to the actual value of the property. The loss to individuals will not be so great as it has been under private management when New Haven stock declined from 255 to 15 and St. Paul from 199 to 22. Under this cooperative arrangement capital will receive a fixed return on its investment (often more than at present), while labor will be interested in the control and profits and will give its best efforts to the business. There will be no speculative stocks, but it will still be desirable to embark upon business ventures. If a greater return (now 8 per cent in a company actually operating under this plan) is desired, individuals may transact business under their own names and assume the risks avoided under the corporate form.

(f) The Department of Labor shall be operated in the interests of the laboring man, and shall maintain a labor exchange for reduction of unemployment and distribution of labor in the section of the country where most needed at each season. Public Defenders shall be elected, and discrimination in the courts shall be eliminated.

3. FOREIGN POLICY

It shall be the policy of the Government to treat all countries, regardless of size, with the same courtesy and consideration we expect from them. No country shall be brought under our domination by force; their territory and independence shall be as inviolate as our own.

Investments in foreign lands shall not be encouraged or protected by our Government. Ample opportunity exists for development of resources in our own country. In fact, there is frequently said to be a dearth of capital. Economic entanglements lead to friction and possible war.

The services of able financiers will be engaged to devise, if possible, a system of uniform currency throughout the world for the purpose of avoiding the present unjust discriminatory rate of exchange.

4. A PUBLIC FORUM

Realizing that one of the preeminent causes of failure to properly organize our methods of living lies in the difficulty of obtaining accurate knowledge of actual conditions, we propose to appropriate, with proper compensation, one column on the front page of every issue of every daily newspaper in the country circulating over 25,000, for the use of Public News Expositors, to be elected by the people from each political party; space to be apportioned according to their representation at the last election. In these columns will be given the opportunity of presenting views opposing those of the editor. News cannot thereafter be so easily suppressed or colored, and in the allotments accorded the opposition parties may be printed theories and facts which could not otherwise be brought before the public.

A brief official summary of the deliberations of Congress shall be published weekly and sold for one cent a copy.

Criticisms of this platform and suggestions will be welcomed.

A Correction

The American Constitutional League of Wisconsin calls our attention to a statement by Lenin which indicates that the term "Bolshevik" was adopted because of the "purely accidental fact that at the Brussels-London Conference of 1903 we had a majority."

We are glad to accept the correction of the derivation of the term "Bolsheviki."

["The Jolly New World," a pamphlet outlining the liberal viewpoint for conservatives, will be sent free if requested before December 1, 1921. Address The Arbitrator, P. O. Box 42, Wall Street Station.]