

nominal owners exercise such imperfect control over its operations; and because of this reluctance the necessary improvements and extensions to the existing railroads will not be made. Yet the need of reposing more confidence in the private management of the railroads, in order to provide the needed supplies of capital, will not persuade popular opinion to grant that confidence. It will refuse, not because railroad managers, when measured by the standards of their class, are not upright and able men, but for the same reason that public opinion in other countries has uttered a similar refusal. If the business of transportation, so vital to the prosperity, the social welfare, the very safety of the community, is trusted to the results of private profiteering, some aspect of the public interest involved is certain to be sacrificed. Every phase of railroad promotion and management affords opportunities of making profits not by serving public interest but by ignoring it. Under private management the chief object of railroad management will always be to take advantage of these opportunities of private profit. It is in effect licensed to do so by the state. Railroads attract capital and business ability in so far as they offer large rewards. Yet when large rewards are reaped from the conduct of such essentially public business, popular opinion is instinctively and justifiably repelled.

A large amount of waste, altercation and blundering will be saved if the consequences of this situation are frankly recognized. The American railroad system will never be cured of its existing malady until it is restored to an undivided allegiance. The allegiance which it formerly owed to its stockholders must be transferred to the nation. That is what nationalization of the railroads means; and that is the result which Congress has been trying unsuccessfully to accomplish by administrative regulation. Such regulation can at best only prepare the way for ultimate nationalization. Congress ought to be investigating at the present time not the questions whether the nationalization of the railroads is advisable, but the means by which the result can be most smoothly and effectively accomplished. This question of the method whereby nationalization can be obtained is the all-important one which is most in need of investigation, and not until Congress acts upon this view of the situation will the route be cleared for the adequate treatment of the railroad problem.

Any party which proposes to rule the nation must have the courage and the vision to come out in favor of railroad nationalization. It constitutes the next step in creating a national economic structure for the American democracy. It would give to the American people the same interest

in the perpetuation and the success of the central government that the Constitution and the Hamiltonian financial measures gave to the property owners. They inhabit a country of vast extent which has become and remained a nation in consequence of railroad development. Their transportation system is by far their most important collective economic instrument. They not only travel by it and ship over it, but to a greater or smaller extent they live on it. If they could consider it their own, as a national service, dedicated with an undivided allegiance to the promotion of the public welfare, their sense of the value to them of the political system of the country would be enormously enhanced. The American citizen would then become a partner in a great business enterprise, whose success was essential to the national welfare. He would vote not only as the member of a class or as the resident of the locality but as a shareholder in the national railroad system. The mere fact of his being a shareholder would not, of course, qualify him for the exercise of the power any more than the appointment of a man to public office immediately converts him into a public servant. No matter who owns the railroad system of the country, it will be nationalized, less by virtue of the fact of government ownership, than by its subsequent operation in the national interest. But the mere change of ownership will accomplish much. Although the problem of railroad nationalization will still remain to be solved, it will be restated so as to overcome the most formidable barrier to its solution. The greatest of all national interests will be removed from the region in which private profits are permissible, and transferred to the region in which profiteering is disreputable and intolerable.

## How Can the Socialist Party Live?

**N**OTHING by this time should be more obvious to Socialist leaders in this country than that their party is not developing according to the predictions of Socialist theory. The drift in the nation toward more complete industrialism, the increase of the proletariat, the concentration of the power of capital—all these things do not seem to add strength and numbers to revolutionary protest. Thriving and important Socialist parties exist in every other industrial nation in the world—except England, where, roughly speaking, the labor party attends to the politics and the Fabians to the intellect of the movement. But in the United States, during a period of immense industrial expansion, and in years of war abroad which aroused the full strength of pacifist and radical emotion here, the

Socialist vote has actually shrunk. What is the matter? Mr. A. M. Simons in this number makes several highly important charges against the party attitude, its tactics and its press. Yet one need not share his opinions to see that friends of the party must make a searching analysis if the Socialist movement is to have any future in this country.

We are of the opinion that specific flaws, important as they may be, would not alone suffice to wreck a well founded political movement. After all, a party which has even a few such able men among its leaders as Morris Hillquit should thrive if it meets a real political need. What must now be done is to forget, temporarily at least, all the dogmas and preconceptions which have formed such a large part of Socialist policy in the past, and to look squarely at the American situation today in the light of what the Socialists hope to accomplish.

The complete returns are not at hand for anything like a scientific analysis of the 1916 vote, nor would it be possible in a short article to marshal evidence for anything more than a tentative diagnosis. What follows, therefore, is submitted rather as a suggestion of the sort of problems that must be considered than as a solution of any.

Two years ago THE NEW REPUBLIC aroused much antagonism among Socialists by pointing out the fact that the party was not developing according to the predictions of Marx and Engels: that its increase was greatest not among industrial but among agricultural communities, that in some industrial communities it was losing ground in proportion to the total vote. We further showed that society itself was not drifting in the prescribed direction, that the industrial proletariat was still an actual minority and was likely to remain so for some time, that it gave little promise of solidarity, and that "the Socialist party thus faces the problem of how, with a minority of the proletariat, itself a minority of the voters, it can attain to political power." The obvious inference was, of course, that the party would probably become less doctrinaire and revolutionary, and more liberal and opportunist. The incomplete returns for 1916 seem to show that the party has now suffered actual losses in many industrial strongholds, that if there are any gains of importance they occurred in agricultural states; and the burden of Mr. Simons's attack is that the party has largely given up its birthright of theory for opportunist methods. This exchange does not seem to have been altogether salutary.

We believe the most suggestive charge of Mr. Simons is that the party has not conceived thoroughly enough the specific American situation. Why is it that Socialist power here lags so far be-

hind Socialist power abroad? The answer must lie fundamentally in the characteristic differences of our political structure. In Germany, for instance, the Socialists faced a monarchy completely capable and usually willing to achieve centralization of economic power, a philosophy in which the state played a part of the utmost importance. Little by little Germany has put into practice much of the Socialist economic program—not, to be sure, for the benefit of the workers, but for the sake of the efficiency and power of the state. The principal feature lacking has been democratic control. Under these conditions a revolutionary party must thrive. Its problem is to organize and make effective the proletariat's demand for power over a system already developing in accordance with its own economic theories. If the Socialist party ever gains control in Germany it will do so through the extension of political democracy, and it will step into control over a system of social and economic machinery already turned to its hand. The impetus behind the fight has really been the demand for democracy, rather than for a complex structure of the state to be built according to a preconceived theory. In the United States the situation has been the reverse. Almost from the beginning we have enjoyed universal manhood suffrage, and we have had no hereditary aristocracy to solidify democratic opposition. The task of the Socialists here was not to fight for the political power of the proletariat, but to spread propaganda for an economic and social philosophy among the voters themselves. The party had to work for the organization of the state rather than for the ascendancy of the people. How much more difficult it is in politics to establish a new theory than to wage a warfare for power over existing institutions any practical politician will bear witness.

This situation is further complicated by the difference in party system between America and Europe. In Germany, as in most of Europe, the legislative body is split into a number of parties, each representing not so much an abstract philosophy of government as a specific element in the community. The program of each party is determined by the interests of the class which composes it. Here, however, the two-party organization has blurred the lines of class interest, and while some few classes have for the time being allied themselves with one party or the other, it has been the task of the party leaders not so much to represent the desires of any particular group as to pretend that all groups have essentially the same interests, and to win the support of new groups from time to time by incorporating their demands in the national program. Third parties have been effective in the United States only in one of two ways—either by

contributing their ideas to one of the major parties, or by superseding one of them.

If these conditions are to remain, the dilemma of the Socialist party seems almost hopeless. In a choice between a return to its traditional revolutionary theory based on the interests of the industrial proletariat, and a development into a liberal, opportunist party, there is little to recommend either policy. The industrial proletariat, even if it were in a majority, could not be politically solidified so long as the issue of democratic power is not sharp and the workers have even a little to gain from the victory of one of the two great parties. On the other hand, a liberalized Socialist party could not hope for ascendancy unless it could suddenly spring into the place of one of the great parties; and this is not likely to happen so long as the leader of one of these parties, as in the recent election, can make a strong plea for liberal support. The Socialists might, to be sure, adopt an educational policy similar to that of the Prohibitionists for the past twenty years. They might be content to sacrifice any real political force as an organization for the sake of their propaganda, hoping that eventually their program would be adopted by others. But such a policy must obviously be a last resort.

There are likely to be changes in the fundamental situation, however, which the Socialists should watch carefully for a possible advantage. In the first place, our state is now at last rapidly becoming more centralized, and its power over industry must greatly increase in the near future. If the central government is to take active measures in regulating industrial disputes, if it is to fix wages and hours as well as rates, if its military power is to be extended, the workers of the country will certainly be greatly solidified, and they will feel a far more urgent need for real representation at Washington. It is a question whether either of the two great parties can undertake that representation without so sharpening the divisions within itself as to cause a split. At the same time the other economic groups of the country—the farmers, the manufacturers, the middle-class liberals, are becoming more acutely conscious of their differing interests and are organizing more compactly to further their political demands. It is quite possible that we shall in the next few years see a break-up of our traditional two-party system. In that case will come the Socialists' opportunity. It may be that the Socialist program will be approximated by a labor party. It may just possibly happen that the Socialist party itself will capture the labor vote. If, on the other hand, the two-party organizations hold together, the Socialists may look at least for a greatly increased labor solidarity.

Whatever happens, the Socialists will be ill prepared for anything except failure unless they clean house thoroughly, establish a far-seeing and courageous leadership, open their press to broader discussion and more of the facts, and learn to look at the situation less from the angle of European tradition and more from the angle of American opportunity.

## "Labor is Not a Commodity"

THE threat of the American Federation of Labor, at its annual meeting last week, to disregard any injunction based upon the conception that labor is property indicates a frame of mind that may well become alarming if it is not met with sympathy and understanding. The emotion behind the ringing report adopted by the convention is a noble one, one that appeals to the laboring man's finest impulses. It is a yearning for independence and self-respect, for economic emancipation and a revolt against the whole proprietary attitude which capital so often takes toward labor, which looks upon a workingman as a thing of value, to be appraised according to output, skill, endurance and docility. "That the labor of a human being is not a commodity or article of commerce," is full of intense meaning to the union men who insisted on its enactment. The workingman who has found his strike for higher wages and better conditions blocked by the cold decree of a class-biased judge knows how it feels to be looked upon as the property of his employer.

What makes this impulse threatening is that it has been blocked and misled into blind alleys not only by labor's enemies, but by its guides and advisers. The technical task of translating labor's yearning into a legal enactment has been woefully botched by its leaders. The rallying cry that labor is not a commodity or a property right has been attached, whether by design or by accident we do not know, to a legislative program which does not give labor what it wants, or what it thinks it is getting. A layman as a rule has no stomach for technical legal argument. That is one of the reasons why the lawyers in Congress find it so easy to pass laws which seem to do one thing, but really do quite another. The result has been that Congress has passed a law which organized labor firmly believes has exempted it from the Sherman law, but which in reality is skilfully drafted so as to do nothing of the kind.

There is no doubt that labor thinks it has been exempted from the Sherman law. In so far as this belief is based on more than a blind faith in