

14th 1920.

The Congress of the Labour and Socialist International.

(Geneva, July 31st-August 6th, 1920.)

The International Labour Office considers that it will be useful to publish for information an account of the proceedings of the Congress of the Labour and Socialist International (or Second International, as it is now commonly called). In almost every country there is a connection, more or less close, more or less official, between the political socialist movement and the Trade Union movement. Even where this connection does not exist, and even where the two movements are in opposition or in conflict, they act and react upon each other. Moreover the attitude recently adopted by the Communist International of Moscow (the Third International), and the efforts which it has made to gain a foothold in the International Federation of Trade Unions of Amsterdam with the aim of destroying it and of drawing the trade unionists of the West into its own political organisation, make it all the more necessary for those who desire to follow the Trade Union movement to keep themselves equally informed of the activities of the socialist and communist political organisations, at least in their essential manifestations. Finally, the Socialist Organisations frequently consider problems which are also the subject of study on the part of the International Labour Office. These discussions furnish material which, from the scientific point of view, it would be unwise to neglect.

IMPORTANCE OF GENEVA CONGRESS.

Just as the war of 1870 caused the dislocation and eventually the disappearance of the First International, so the world war of 1914 to 1919 created a state of uncertainty and confusion in the Labour and Socialist ranks. The organic unity of the International was broken and various tendencies emerged within it. A schism took place, and the very existence of the International was threatened.

The principal reasons for these divisions were the powerlessness of the International to prevent the war, and the divergences of view which arose both as to the part to be played by socialism during the war and the methods to be followed with a view to the realisation of the socialist programme.

As early as 1915 and 1916 a tendency to secession manifested itself (Zimmerwald-Kienthal), which after the Russian Revolution of 1917 led to the formation of a new International Socialist Group, the Third or Bolshevik International founded at Moscow in March, 1919.

Initiated at the most critical moment of the Civil War, when the very existence of the new Soviet regime was threatened, the 3rd International succeeded in the first place in living, and in the next place in grouping around it an increasing number of adherents. In many cases it succeeded in provoking secessions of important groups in the national sections affiliated to the Second International, secessions which appeared likely to lead to formal desertions to the Third. At its second Congress, held in Moscow in July, 1920, it finally determined its constitution and its programme of action which was intended to rally the secessionist group in various countries.

At the same time the Second International was passing through a series of critical periods, and was directing its efforts towards reconstructing the international unity of the workers broken by the war.

Very shortly after the conclusion of the Armistice, a first meeting was held at Berne (from the 2nd to the 10th February, 1919), and a second at Lucerne (from the 1st to the 10th of August, 1919), with the object of defining the position to be taken of considering a preliminary draft constitution which might serve as a basis of organisation until the meeting of a general Congress.

These Conferences at Berne and Lucerne did not re-establish the International, but they set its machinery in movement. It fell to the Geneva Congress to fix the final character of the International, to formulate its programme and to determine its methods of action.

The Congress had, in fact, three tasks to accomplish :—

(1) To define the method of action of the 2nd International as against that of the 3rd ; to determine the path to be followed for its own re-construction and for attracting to itself the groups which were still hesitating.

(2) To take up a definite position towards a series of international problems, such as questions of nationality, militarism, the rights of peoples, the League of Nations, etc., and to settle once for all the question of responsibility for the war.

(3) Finally, to formulate an economic and social programme which, whilst remaining faithful to the fundamental conceptions of democratic socialism, might secure the adhesion of the greatest possible number of sections.

Accordingly the Agenda of the Geneva Congress was drawn up as follows :—

1. Adoption of Draft Constitution ;
2. The question of international unity ;
3. The question of responsibilities ;
4. International policy : (a) Peace and the League of Nations ; (b) Democracy and dictatorship ; (c) socialisation ; (d) the political system of socialism ; (e) labour legislation ; (f) colonial policy ; (g) emigration and immigration of workers ; (h) cost of living ;
5. Organisation of the Socialist Press.

COMPOSITION OF THE CONGRESS. — THE COMMISSIONS.

Seventeen national sections affiliated to the Labour and Socialist International were represented at the Geneva Congress : Germany, Australia, Azerbaijan, Belgium, Denmark, France, Georgia, Great Britain, Hungary, Italy, New Zealand, Lithuania, the Netherlands, Poland, Roumania, Russia, Sweden, Switzerland.

Five of these sections, however, Australia, Lithuania, New Zealand, Poland and Russia, declared that they only desired to take part in the Congress for the purpose of information, desiring to reserve their liberty of action until the International had defined its tactics.

On the other hand, out of the 17 delegations 10 represented only a fraction of their national movement, the other fractions having before the Geneva Congress declared their intention of retiring from the 2nd International. This was the case with the *German* Delegation (the Majority Social-Democrats, with Messrs. Otto Wels, Hermann Müller, Molkenbahr, Leonard Bernstein, Stampfer, Adolf Braun, Scheidemann, Otto Hue), the *Austrian* (with Mr. Theodore, Prime Minister of Queenland), the *Azerbaijan*, the *French* (French Socialist Party, with Messrs. Aubriot, Grenier, Jérôme, Levy, Rozier), the *Italian* (Unione Socialista popolare, with Messrs. Vercelloni, Susi, Giovanni), the *Polish* (with Messrs. Czapsinski and Niedzalkowski), the *Russian* (Russian Revolutionary Socialist Party, with Messrs. Gavronski, Roubanovitch, Roussanoff, Koukhomlin) and the *Swiss* (Union Grutlénne, with Messrs. Albiser, Enderli, Dick, Faller, Seidel, Hauri, Hans Huber, and Hans Müller).

Finally, the *Hungarian* Social-Democratic Party, represented by Mr. Karl Payer, Ex-Minister, and Mr. Vancsak, was, owing to the conditions of that country, in a sufficiently difficult position.

There remained therefore six delegations representing the whole or the immense majority of the socialist forces of their

respective countries and thus constituting the kernel of the Labour and Socialist International, namely:

The *Belgian* Delegation (Belgian Labour Party, represented by Messrs. Vanderveelde, Minister of Justice, de Brouckere, van Roesbroeck, Secretary of the Party, Lafontaine, Mertens, etc.).

The *Danish* Delegation (Danish Social-Democratic Party, represented by Madame Nina Bang and Messrs. Stauning, Kiefer Nielsen, etc.).

The *Georgian* Delegation (represented by Messrs. Tseretelli, Woylinsky, Secretary of the Party, etc.).

The *British* Delegation (Labour Party, represented by Messrs. Adamson, M.P., President of the Parliamentary Committee, Tom Shaw, Miss Mary Macarthur, Messrs. Snowden, W. Hutchinson, Ramsay MacDonald, Sidney Webb, Morrison, N. Maclean, M.P., E. W. Jowett, T. Bromley, etc.; Trade Union Congress, represented by J. H. Thomas, M.P., H. Gosling, W. Thorne, M.P.; the Fabian Society, represented by Mrs. Sidney Webb, Dr. Benham Fairfield).

The *Dutch* Delegation (Social-Democratic Party, represented by Messrs. W. H. Vliegen, P. F. Troelstra, Vankol, E. M. Wibaut).

The *Swedish* Delegation (Social-Democratic Party, represented by Messrs. Gustav Moeller, R. Sandler, Minister of Finance, A. Engberg, A. Thorberg, etc.).

It must be noted, with a view to giving an exact idea of the forces constituting the Second International at the present time, that certain affiliated national sections were not able for various reasons to be represented at Geneva. Thus, no representatives from North and South America were present owing to the distance and the internal political conditions of their countries, though the parties in question remained faithful to the Second International.

Many changes have accordingly taken place in the national sections affiliated to the Second International since the Congress of Lucerne.

Taking only those which took part at the Geneva Congress, it will be possible to form an idea of these changes by a comparison of the scheme of distribution of votes submitted to the Conference of Lucerne (1919) with the votes finally allotted to each group at Geneva (1920).

	Lucerne	Geneva
Great Britain	30	30
Australia	15	15
New Zealand	—	5
Germany	30	20

Azerbaijan	—	4
Sweden	15	15
Belgium	15	15
Netherlands	10	10
Russia	30	15
Denmark	10	10
France	30	3
Switzerland	10	3
Hungary	10	10
Lithuania	4	4
Italy	27	4
Poland	10	10

Few national sections have preserved their numerical forces unimpaired. The strength of the different national groups has varied whether one takes each country separately or one country in relation to the others.

The Congress appointed three Commissions to which was entrusted the task of formulating resolutions relating to the various problems figuring on the agenda.

To the first Commission was entrusted the question of the international unity of the workers; to the second that of the general policy of the International, of the responsibility for the war, of the rights of peoples, and of the League of Nations; to the third, the question of socialisation and the political system of socialism. A fourth Commission for the examination of credentials had only a temporary existence.

The real work of the Congress was carried out in these Commissions. It was there that the collision between divergent opinions took place and that the conciliatory formulae was found. The echo of the debates which arose in the Commissions was rarely heard in the public sitting. It must of course be taken into account that a considerable work of elimination had taken place during the year 1919-20 among the members of the national delegations. The irreconcilable dissidents had already withdrawn, so that differences were thus reduced to questions of degree rather than of principle.

THE INTERNATIONAL UNITY OF THE WORKERS.

The first task of the Congress was that of reconstructing the international unity of the workers. This unity answers to a real need. The world of workers is regulated by social laws scientifically determinable and separable from the general body of social phenomena which present themselves to the observer. These laws are the same everywhere, even where national elements modify their scope. The unity of the workers is therefore not an abstract conception, but a living reality. It is on this that the Trade Union International and the

political International rest as organs intended to express the international political and economic needs of the working class. The war has dismembered the political organisation, but the idea of unity has remained, and it is under the impulse of this idea that the Second and Third International are endeavouring to unite, each under its own banner, the masses of the workers.

These two new centres of the political International answer to two opposite social conceptions. The one, that of democratic socialism, conceives the State as the power exercised in common by the different social classes for the good of society as a whole; the other, that of Bolshevism, holds that the State is nothing but the organisation of power by one class over the others for the exclusive profit of the dominant class. The one places socialism on the basis of universal suffrage, the other is founded on the dictatorship of the proletariat. Between two conceptions so contradictory, conflict is and must remain inevitable.

The Geneva Congress was specially concerned to find means for facilitating the reconstruction of the International. It voted a resolution defining these means. This resolution in substance designates London as the centre round which the reconstruction must be effected. The secretariat is henceforward to be transferred to London, and two of its three members are to belong to the British section. From this section is demanded "the responsibility and the burden of the negotiations with the workers' and socialist organisations of the nations not represented at the Congress, and of taking the necessary steps for obtaining their adhesion in conformity with the resolutions of the Congress."

The British section is quite naturally indicated for this task: it is the strongest of all those composing the International; it is the most compact, the best organised, and it has the most extensive connections and the most unquestioned moral authority.

THE LEAGUE OF NATIONS.

The second Commission appointed by the Congress had to consider and to formulate a series of resolutions dealing with political questions of an international character. With some exceptions, they represent nothing new or fundamental in socialist thought and action; but the Congress had to take up a position towards certain questions, notably those which might hamper the work of reconstructing the international unity of the workers. The first resolution has a purely humanitarian character. It is the resolution relating to the feeding of children in the countries affected by the war. The second suggests the general principles for the economic reconstruction

tion of Europe. A third group of resolutions deals with the well-known principle of the self-determination of peoples, with the white terror in Hungary, etc. A fourth group, finally, relates to purely political questions, such as the resolution on responsibility for the war, those on militarism, the Treaty of Versailles and the League of Nations.

The Congress declared itself clearly in favour of the creation of the League of Nations. What factor, indeed, could be more favourable to the realisation of the unity of the workers on the socialist plane than the close collaboration and fusion of the various nationalities in works of peace and justice?

Thus we find in the statutes of the International, provisionally approved at Lucerne in 1919 and finally ratified at Geneva, the following declaration:

"The International is founded on the following principles... (2) Union and international action for the organisation of a real League of Nations, which will be a League of peoples, masters of their own destiny, by the struggle against chauvinism and imperialism and by the general and simultaneous suppression of militarism and of the system of armaments with a view to ensuring universal peace."

The Congress recognised that the League of Nations is, so to speak, almost a necessary condition for the realisation of the workers' International (See Appendix D).

What obstacles the national elements have always opposed to the creation of a really solid workers' International the war has shown once again with tragic clearness. Thus it is evident that the League of Nations, by its work of international collaboration, must become a most effective auxiliary in the consolidation of the Second International.

But the Congress does not accept the League of Nations as created by the Treaty of Versailles. Its criticism is directed to three points:

(1) It desires that the League should be a democratic international organisation in which the voice of the working masses should make itself heard. The democratic principle should be applied both in the nomination of representatives to the Assembly of Delegates and in the nomination of the Executive Council, which should be elected by this Assembly.

(2) All nations should be *immediately* admitted without any exception. It is for this reason that the Congress demands that the Assembly of Delegates at its first session (which will take place in November) "shall admit representatives of the Central Powers and of all those independent republics which may apply for admission."

(3) Finally, the League of Nations should possess more extended functions and more effective means of control. The Congress insisted especially that the distribution of raw materials, food stuffs and materials for transport, and also the re-

distribution of the financial burdens of the war should be entrusted to the League. The League of Nations has, in fact, already taken the initiative in investigations and conferences on these subjects. But its action should not be purely academic. It should possess the means of control and sanction which will enable it to carry out its objects. The Congress even advocates in this direction the creation of an international police force, the existence of which would render unnecessary the continuation of national armed forces. The League of Nations so constituted would have in the workers' International a firm and sure support. Meanwhile the Congress calls upon the National sections to do all they can to secure the appointment of their delegates to the League as it exists at present and to its various committees, so as to give it the democratic spirit which it lacks, and to direct it into the path traced by the Congress.

It will be seen in how large a measure this resolution is inspired by the principles of democratic socialism. This latter seeks to arrive at socialism by the progressive transformation of national institutions on an international plan and by the suppression of classes. It contemplates the realisation of socialism in the first place within the framework of each existing national unit. The League of Nations should accomplish a similar task. While respecting national autonomy, it should create a real and living political association of peoples. By its work of conciliation and reciprocal penetration it is preparing a psychological condition necessary to the international unity of the workers.

THE INTERNATIONAL LABOUR OFFICE.

Among the organisms forming part of the institution of the League of Nations the International Labour Office particularly attracted the attention of the Congress. It formed the object of a special resolution passed almost unanimously (see Appendix II). This resolution was proposed by Mr. Mertens, the Vice-President of the International Federation of Trade Unions, and heartily seconded by Mr. Tom Shaw, one of the members of the English Delegation. Messrs. Mertens and Shaw both took part in the first International Labour Conference at Washington as workers' delegates of Belgium and Great Britain respectively.

The speeches delivered by both these delegates at the Congress in favour of the International Labour Office derive their authority both from the eminent position which the speakers occupy in the world of organised labour and from the fact of their presence at Washington, where they powerfully contributed to the adoption of the Conventions approved at that Conference.

The resolution is remarkable for its enthusiastic support of the organisation referred to and for its profound faith in the future and in the social work of the Office. This latter, the resolution declares, has already accomplished by the Conferences at Washington and at Genoa "an enormous progress on the road of international social reforms".

The resolution, while calling upon the workers' organisations of the whole world to help the Office in its mission, indicates clearly the final end towards which this organisation should tend: to be the future international parliament of labour, to which the world may look for "legislation which applied internationally will meet more fully the legal aspirations of the workers".

These considerations are developed and made clear in an article which Mr. Mertens, Vice-President of the International Federation of Trade Unions, published in the French paper *la Bataille* on the 11th August. In this article he exhorts the workers to have confidence in the International Labour Office. "We are strongly convinced", he says, "that this confidence will not be disappointed, particularly in view of the earnest work given by the International Labour Office in the work which it has carried on in the course of the last six months. It will, no doubt, by the development of its services place at the disposal of Governments and organisations the material necessary for the study of all the questions which come before it". In this matter also the Second International shows its opposition to the Third, which has always manifested sentiments of hostility towards the International Labour Office and the work of social reconstruction it has undertaken.

SOCIALISATION AND THE POLITICAL SYSTEM OF SOCIALISM.

We have now reached the third and last group of resolutions passed by the Congress: those which form the economic and social programme of the Second International, and which refer to the socialisation of production and to the political system of socialism. (See Appendices III and IV).

These are the most interesting of the resolutions from the theoretical point of view. They are also perhaps the most important from the practical point of view, if one considers the consequences of their adoption. In point of fact, the adhesion now or hereafter of the numerous undecided groups, and the ultimate withdrawal of groups now forming part of the International, will probably depend upon this programme.

The resolutions are equally interesting as an explanation and definition of moderate working-class and socialist thought in regard to those problems which at the present moment are the fundamental problems of modern society.

The Moscow International has formulated its social and political programme, and has even applied it almost in its entirety. It was indispensable that the Second International should also focus all the principles which are to form the basis of its action, that it should oppose to the Bolshevik edifice the edifice of Democratic Socialism. It was for this reason that the Lucerne Conference decided to appoint a Commission to consider the re-organisation of political power from the Socialist point of view. Two Commissions were eventually formed, one to deal with socialisation, composed of the following persons :—

Messrs. Sidney Webb, Snowden (Great Britain), Van der Weerden (Holland), Albert Thomas, Pressemane (France), Moeller (Sweden) and Otto Hue (the last named was nominated a little later by the German Social-Democratic Party); the other to deal with the political system of socialism, composed as follows : Mrs. Webb, Messrs. MacDonald (Great Britain), Kautsky (Germany), Bauer (Austria), Trelstra (Holland), Vandervelde (Belgium), Renaudel and Paul Louis¹ (France).

At the same time the Socialist Parties of various countries took up the study of the two questions.

Other Commissions composed of prominent socialists were formed in Sweden, Belgium, France, Great Britain, Holland and Germany, and set to work to study the conditions under which socialisation might be introduced in each country.

Important pamphlets were in the meantime published on the subject, such as that of Otto Bauer, "Der Weg zum Sozialismus"; but it was only in Holland that these studies resulted in a detailed and complete work, which deserves particular attention.

This is the Report published in 1920 by the Commission appointed by the Dutch Social-Democratic Party. This publication bears the title "Het Socialisatiewraagstuk" (The Question of Socialisation). The President of the Commission was Mr. Wiebaut. He was also the reporter to the Commission appointed by the Geneva Congress to deal with the same question. The influence of the Dutch report on the Geneva resolution is evident. It appears in each point of the resolution which closely follows the report, sometimes employing the same words and the same arguments.

As regards the political system of socialism, attention should be called to the important volume recently published in England under the title "A Constitution for the Socialist Commonwealth of Great Britain", by Mr. and Mrs. Sidney Webb.

¹ Mr. Paul Louis never took part in the work of the Commission. He resigned at the beginning of 1920, when the French Socialist Party was inclined to leave the Second International. He is at the present time a supporter of the adhesion of the French Party to the Communist International.

The volume was written after the Lucerne resolution. It was the object of Mr. Sidney Webb, reporter to the Commission appointed by the Geneva Congress, to gather together for the use of the Commission all the information available and at the same time to submit to it solutions of the problem.

A whole literature therefore, a whole preparatory movement, preceded these resolutions, thus demonstrating once more that the question is now ripe, and has passed from the theoretical to the practical sphere. It was necessary that the International should take up a position. It has done so with considerable clearness, and the resolutions were passed without opposition and almost unanimously.

Although the two resolutions, that on socialisation and that on the political system of socialism, were closely connected and reciprocally complementary, we shall examine them successively, beginning with that on socialisation.

SOCIALISATION. — FUNDAMENTAL PRINCIPLES.

The fundamental principle mentioned in the resolution and lying at the basis of the whole question of socialisation is that production should not be carried on in the interest of any private persons, but in the interest of society for the satisfaction of social needs. It is true that by the very fact of producing every producer performs a service to society, but in doing so he generally has his own profit in view. Social utility is an indirect derivative of individual utility. It is against this fact that the Congress has set itself. Production is a social act which should be accomplished in the interest of all.

The resolution only mentions industrial production and the services essential to the satisfaction of social needs, but it is evident that in theory the social character exists in every kind of production, whether applied to the creation of material wealth, or, on the other hand, having for its object non-material advantages (liberal professions, etc.).

Now, in order to obtain a production directed towards social ends, society must control production absolutely, that is to say "the ownership and control of the industries and services essential for the satisfaction of the people's needs" should pass from the capitalists to the community.

But the Congress considered the necessity of socialisation not only from the theoretical, but also from the practical point of view. Production dominated by private interest is necessarily an anti-economic production, giving rise to waste of social resources. Competition, which almost always signifies over-production, inevitably gives rise to a production which is partially a loss, and although the phenomenon of trusts appears to remedy the defects of competition, it signifies in

reality a concentration of profits in a few hands rather than a benefit to the community.

The war and the period since the war have brought still further into relief the defects of the capitalist system. The resolution mentions certain effects of post-war production under the capitalist system, and Mr. Wiebaut in his report to the Congress emphasised the reasons which make the transformation of the system urgent.

The war has given new strength to the monopolist forms of production. Trusts and combines have multiplied; their field of action has extended; in every branch of industry it is possible to prove the existence of a group which entirely controls production. The formation of prices is thus at the mercy of the dominant groups. The result is a continuous and rapid rise, which constitutes a social danger of the first order.

The Reporter gives prominence to this danger, and also to the feelings of organised workers, who, according to him, manifest growing unwillingness to support a system of production which by the phenomenon of wages keeps them in perpetual subjection and does not even enable them effectively to raise their standard of life. He shows that so long as this feeling persists production must constantly diminish because the worker will always have the conviction that his work is only enriching a small group of persons. The Reporter draws the conclusion that the necessity for socialisation is becoming more and more urgent.

What is meant by socialisation? M. Wiebaut in the book already mentioned says:

“Socialisation is the systematic pooling of production. It is not the same thing as socialism. It is the road which leads to socialism. Socialisation is that part of the principles of socialism which can be realised at the present moment. It is a process developing in various phases and having as its final object socialism. It is the suppression of the private ownership of the means of production and the transfer of these to the community. But it is only realisable in specific branches of production, transport and distribution, and in relation to specific forms of ownership”.

In the resolution passed by the Congress the definition of socialisation is as follows:

“By socialisation we understand the transformation from ownership and control by capitalists to ownership and control by the community of all the industries and services essential for the satisfaction of the people's needs.”

These two definitions explain clearly enough the fundamental conception of socialisation. As we have already said, it

is a question of putting the community (or, to be more exact, the State or the local organs invested with State power) in possession of the capital allocated to production, and of entrusting the control of production to the same organs of the community.

Socialisation, however, is not nationalisation. The latter is only a particular aspect of the former.

But how is socialisation to be brought about?

The Congress fixes the following fundamental points of capital importance, which contain the direct application of the general principles adopted by the Second International:

- (1) Substitution of the community for the capitalists;
- (2) Gradual and legal as opposed to sudden and violent realisation;
- (3) Indemnification;
- (4) Triple form: national, municipal and co-operative;
- (5) Extension to all forms of production;
- (6) Administration autonomous and free from control.

We shall devote a few words to each of these points.

(1) *Substitution of the Community for the Capitalist.*

In the resolution on socialisation the following passage occurs:—

“On the other hand the principle of socialisation excludes the ownership of natural resources or of the instruments of production in the large-scale primary industries by individuals or associations of persons of any kind as well as the dictatorship of any person or group over the industry in which they work.”

The meaning of this passage is clear. It aims at preventing a form of socialisation which would place the means of production in the hands and under the control for their own exclusive profit of the small group of workers employed in a specific branch of industrial production, a form expressed by the motto “the mines for the miners”, etc.

It was this form of socialisation which was established at the beginning of the Russian Revolution. Then the workers took possession of the factory in which they worked, declaring it the property of the workers employed in the undertaking or of the trade union to which they belonged, repudiating all control by the State or the local organisations, and refusing to subordinate the production of the factory to the general scheme of social production. They divided among themselves the tools, machines, and money belonging to the enterprise. Even the Soviet régime could not accept this anarchical form of industrial production. After a few months, in fact, a severe system of

nationalisation was applied which took the form of an energetic concentration in the hands of the State of all industrial production. But in the Bolshevik conception socialisation is carried out for the benefit of the proletariat, that is to say, of one social class. The resolution repudiates this conception.

This pretended form of socialisation would in fact be nothing but the expropriation of one individual or group of individuals or of a class, which is contrary to the very principle of socialisation. It would maintain the parasitic form of production which socialisation seeks to destroy; only the beneficiaries would be changed, the organisation of production would remain in substance the same.

(2) *Gradual and Legal Realisation of Socialisation.*

There is here a fundamental difference between the Bolshevik conception and that expressed by the Congress.

While Bolshevism regards socialisation as only possible under the form of a violent, simultaneous and revolutionary seizure of all the industrial production of the nation, the Congress solemnly affirms in its resolution that socialisation can only be accomplished progressively; it must be extended from one industry to another as economic and social circumstances permit. The principle of progress is fundamental to the conception of socialisation according to social democracy. As the Reporter explained, it is necessary before destroying an ancient system to be ready to substitute a new system for it. Before destroying private enterprise, it is necessary to be in a position to replace it by a better form of organisation, which cannot be done at a single stroke for the whole of production. Even more important than the manner of producing is the actual fact of producing, for without production civilisation and society are doomed. It is important that during the process of socialisation no suspension or diminution of production should take place. It is necessary therefore that the transformation should be effected with all necessary precautions. Everyone knows, in fact, how delicate the industrial mechanism of each nation is, how easy it is to destroy, and how difficult to reconstruct. We have before our eyes the example of what has happened to the industry of each country as the result of the war, and we are still feeling its consequences at the present time.

The resolution sought to bring into prominence these economic facts, the certainty of which no one doubts. It tells us that democratic socialism recognises the difficulties, and admits that time and method — especially method — are indispensable elements if socialisation is to be a benefit to society. Socialisation should be effected systematically in accordance with a general plan to be applied progressively to all fields of production.

This does not mean that socialisation must necessarily be slow; the rapidity of the transformation will depend on the particular circumstances of each country and on the strength of the labour and socialist ranks.

(3) *Compensation.*

It is well known that confiscation, that is to say, expropriation without compensation, is the cardinal principle of the Bolshevik theory and is applied in all its rigour in Russia.

The resolution passed at Geneva, on the contrary, excludes "in general" expropriation without compensation. Even the expression "in general" was only added as a result of the observations of certain delegates who remarked that for some countries and in some cases compensation was not justified¹.

It was not only theoretical reasons but practical considerations which led the Congress to adopt unanimously the principle of compensation.

It must, in fact, be remembered that for the socialist democracy, socialisation is not an expression of the dictatorship of the proletariat; it is not carried out for the benefit of one group or one class; it is rather the application of the principle confirmed by experience that the capitalist regime is powerless to ensure the production and distribution of wealth in such a manner as to satisfy the needs of the community. As Mr. Wihaut expressed it in the course of the discussion, production under the capitalist regime resembles a factory which is not working well. We do not wish, he added, to destroy the factory, but to improve it. The object is therefore to improve the production and distribution of wealth.

Since, therefore, socialisation must be accomplished gradually, passing from one industry to another, expropriation without compensation would create a profound disturbance in the industries not yet socialised; the manufacturers threatened with expropriation sooner or later would slacken or completely suspend their production. The example of what happened in Russia at the time of the nationalisation of industries proves this. The congress sought to define the method which would avoid the repetition of a similar economic catastrophe.

For the rest, the compensation according to the intention of the congress, would be more apparent than real, the necessary funds being in effect obtained "by the taxation of private

¹ It was especially the Swedish delegates who insisted on the admission of this exception in view of the expropriation of the forests which represent one of the principal resources of their country. These forests are a typical case of capital the value of which increases almost exclusively by the action of time; as a general rule, the capital invested and labour play a secondary part.

property, particularly by means of capital levies, income tax, death duties and limitation of inheritance. The last form of taxation is, in the opinion of the Congress, of capital importance. It will assist powerfully in furnishing the financial means necessary for socialisation. It must be remarked that the resolution abstains from defining what should be the measure of compensation. The question is very delicate and controversial. The Congress limited itself to tracing the general lines. It did not wish to enter into the details of its application, which moreover cannot be the same in all countries.

(4) *Extension of Socialisation.*

A remarkable point in the resolution is that which relates to the extension to be given to socialisation.

While up to the present democratic socialism has only considered the industrial side of production, the resolution passed at Geneva gives special importance to the socialisation of agriculture.

Nationalisation of the great public services, such as transport, mines, the production of electricity and gas, is admitted at the present time even by a number of people who cannot exactly be called socialists. The expropriation by the community of other industries has the almost unanimous support of the socialist world. It is otherwise when one comes to the question of the soil. Here, even among communists, opinions are not altogether in agreement. The example of what has happened in Russia, where the Bolshevik regime has shown itself powerless to struggle against the profound individualist sentiment of the peasant, is not, in fact, of a nature to encourage the partisans of nationalisation of the soil. The Geneva Congress has, however, decided otherwise. It has proclaimed the principle that the ownership of the soil should be national, whatever may be the system by which agricultural production is secured. Several voices were raised against this principle, both in the Commission and in the public debates of the Congress. Special emphasis was laid on the difficulty of applying socialisation to the land, and the injustice of depriving peasant proprietors of the ownership of their land. The majority of the Congress nevertheless insisted on the general rule that *all the means of production* should pass to the community; but it recognised that it would be unjust and even harmful to the community to deprive peasant cultivators of the enjoyment of their property. They will remain in possession of it, but in the character of farmers for the community.

The same rule applies to artisans working on their own account and to independent intellectual workers. But in all these cases there is one necessary condition, that production should be carried on without the employment of the labour of others. Immediately the phenomenon of wages appears,

as soon as work in production is exacted for the benefit of a third person, society has a right to intervene.

(5) *Forms of Socialisation.*

The plan adopted by the Geneva Congress contemplates three forms in which socialisation may take place: National, Municipal and Co-operative. The choice of one form in preference to the others depends on the nature of the industry socialised and the special circumstances in which socialisation takes place.

For certain branches of production nationalisation is always preferable, for example, for agriculture, for the great industries of national importance (mines, transports) or concerning the community as a whole (for example, certain branches of the chemical industry, the production of electric current, etc.). The national form is also preferable where the industry has attained such a degree of economic concentration that the different industrial units of production may be considered as inseparable parts of a single organic industrial whole (for example, the metallurgical industry, the cotton industry, etc.).

In other cases production and distribution may be left in the hands of municipalities and other local authorities or federations of local authorities, which, according to the authors of the resolution, will be called upon to play a very important part. Even at the present time, under the capitalist regime, the municipalities carry on with success a certain number of industrial enterprises (tramways, water, gas, certain services in connection with food and dwellings, etc.). Under the socialist regime they would extend their field of action, and supplement the action of the State, where the latter did not think it proper to carry on the industry directly. In the last place, the co-operative societies might deal with the production and distribution of objects of domestic consumption.

This distribution of functions between the State, Local Authorities and Co-operative Societies, is indicated in a very summary fashion in the resolution. It is evident, in fact, that everything depends upon the economic and industrial organisation of the community in which socialisation takes place and on the position occupied in it by each industry. In all cases, it is the community which will regulate the price of commodities and furnish the necessary capital. The control of prices must also be exercised by the community in the case of industries which for various reasons cannot be immediately socialised. The latter will be subjected to control with a view to ensuring the progress of production and distribution.

(6) *Administration and Control of the Socialised Industries.*

The resolution, finally, examines the question of the administration and control of the socialised industries, but it limits

its itself to sketching rather than defining their general lines. In the matter of administration and control the circumstances peculiar to each country and to each political and economic organisation will play a determining part.¹

The resolution establishes an important general principle which should serve as a basis for all socialisation : Control in all cases should be separated from administration. Control will always have a political character. It must be exercised by the political representatives of the community in the National Assembly created by popular election. This control should as a rule be limited to fixing the lines of direction which the socialised industries should follow and to preparing the financial balance sheet of national production, but in no case should it deal with the fixing of prices and wages ; this is a matter within the exclusive jurisdiction of each industry.

Every socialised industry should be constituted as an autonomous unit free from all political interference.

For every group of works forming, in the technical sense, an industrial unit, the resolution contemplates the creation of a National Council composed of representatives

- (1) of the workers engaged in the industry ;
- (2) of the management (including technicians) ;
- (3) of the community, that is to say, of the consumers.

District Councils composed in a similar manner and subordinated to the National Council would be formed where considered necessary ; and, finally, Works' Committees composed of the same elements would perform the same functions within the limits of each undertaking.

For the conclusion of collective agreements between the management on the one part and each trade concerned on the other, it is proposed to create a Joint Committee for each separately organised trade.

It will be seen that the resolution did not attempt to go deeply into any of the questions, important as they are, which are bound up with the problem of the organisation of socialised industries. In particular it does not mention the part which the trade unions would be called upon to play in this matter. The question is certainly of great importance, but it is also very controversial ; and, as we have already observed, the Congress set itself to include everything which, at the present time, is accepted by all the national sections rather than to touch upon points in dispute.

Before concluding, the resolution solemnly affirmed the right to strike,—this as a reply to the Bolshevik theory and

¹ The reader desiring details on this subject may read the two publications mentioned in the course of this report and especially the report of the Dutch Commission, pages 45 and following, and the book by Mr. and Mrs. Sidney Webb, chapter 2.

policy which denies this right sometimes even punishes striking as treason against the community.

Bolshevism and autocracy agree in this that they both consider striking as a crime either against the State or against the proletariat.

Social Democracy remains faithful to the principle that the strike employed for an economic object is a natural weapon which may not be taken away from the wage-earner.

THE POLITICAL SYSTEM OF SOCIALISM.

The Congress closed its labours by a resolution on "the political system of socialism" (see Appendix IX). This resolution was presented by the Reporter, Mr. Webb, as a basis for discussion, and in the opinion of the Commission, it should have been referred to the Executive Committee of the International for final settlement. The Congress nevertheless adopted the resolution almost unanimously. It thus constitutes the fundamental political programme of the Second International, and Mr. Vandervelde called it "the most important resolution of the Congress."

What does this resolution say ? Reduced to its simplest expression, its essential points may be arranged in the following formulae :—

- (1) No violence or terrorism, but realisation of socialist aims by the economic and political force of the working masses.
- (2) Democratic organisation of power in the form of a Parliament, the supreme organ of the State, elected by universal suffrage, with complete equality between the sexes and with no exclusion on the ground of race, religion, occupation or political opinion, and formation by the Parliament of a Council of Ministers in the technical sense of the word.
- (3) Voluntary transfer to the trade union organisations by Parliament of part of its functions particularly those relating to the conditions of work in each industry.
- (4) Participation of the workers in administration.
- (5) Constitution of a National Industrial Council composed of representatives of the trade union associations with definite functions.

Such are the general lines of the political system adopted by the Congress, traced in a very vague and indefinite manner, as every political system must take account of the special conditions of each country. But the edifice as a whole forms a

strong and intentional contrast to the Bolshevik political construction.

The Bolshevik theory preaches the systematic employment of violence for the conquest of political power. The Geneva Congress, on the contrary, repudiates violence and terrorism, and even condemns in the most severe terms attempts to transform every industrial strike into an instrument of political revolution. Not that the Second International renounces for ever all direct action. Bearing in mind events analogous to the German general strike at the time of the Kapp coup, *d'Etat* the resolution affirms that "direct action in certain decisive conflicts cannot be entirely abandoned." But Democratic Socialism energetically rejects the systematic employment of the strike as a political measure.

Similarly, the resolution opposes to the dictatorship of the proletariat, that is to say, the exercise of political rights reserved to a limited class of persons, universal suffrage without exclusion, that is to say, the participation of all classes and of every citizen in the formation of the supreme political organ of the nation. The Congress opposes to the Soviets, that is to say, to political organs based on vocational and class representation, Parliament, or the representation of the individual as a citizen. Finally, in place of the Bolshevik trade union associations, which are obligatory groupings and organs of the State for legislation and administration, we find in the resolution voluntary groupings with varied but limited functions which in all cases are derived from Parliament.

It is Parliament which forms the basis of the democratic socialist conception and remains the central organ of the State. It makes laws, decides as to the socialisation of industries, exercises supreme financial control, and, in the last resort, fixes the prices. It is its duty to safeguard not only the interests of the consumers, but also the interests of future generations as a whole. It represents all popular aspirations and desires from the point of view of the community as a whole. It organises defence against aggression from within and from without; it has power to delegate part of its own functions to subordinate organs deriving their existence from itself. Finally, it is within the Parliament that the Government will be formed, exactly as it is now.

But Parliament will no longer be self-sufficient: in view of the complexity of political phenomena, and the growing needs of the masses of workers, it appears more and more unable to fulfil its task.

The interests of the vocational social groups all call for special representation.

We have already seen in the resolution on socialisation that the administration of the socialised industries is entrusted to the special organs which represent the three-fold interest of the

workers, of the enterprise as an economic unit and of the community. The resolution on the political system formulates anew, though in a less precise form, the principles which must serve as a basis for the organisation of the Public Services.

It contemplates: (1) For the safeguarding of the community, special councils and committees, the functions and powers of which are not defined. (2) For the safeguarding of the workers (manual and intellectual) a special representation within the administration, the details of which are not given. (3) For the regulation of vocational life, voluntary groups, to which Parliament may delegate powers of enquiry, command and vocational education. (4) Finally, for the safeguarding of national production (which is to be gradually socialised) a species of industrial Parliament (the National Industrial Council) composed of representatives of voluntary vocational organisations, to which the political Parliament may delegate the preparation of orders to be applied to industry as a whole, or of those which will be issued for the carrying out of laws. This Industrial Parliament will also have the right "to discuss and criticise, to investigate and to suggest and to present to Parliament any reports on which it may decide", but (this point must be emphasised) it will also be from Parliament that it will receive its functions.

To resume, the resolution, the outcome of a compromise between a left wing, of which Mr. Troelsstra was the spokesman, and a right wing represented especially by the English Delegation, keeps within the characteristic frame-work of Parliamentarism, while giving a place to the representation of vocational interests; but the organs of the latter are subjected and subordinated to the sovereign authority of Parliament.

CONCLUSION.

The Geneva Congress has been variously judged.

It is useless to enter here into the details of this controversy which, moreover, is carried on almost entirely from the political standpoint. But there are certain points, certain tendencies, which should be brought into relief, certain considerations which must be taken into account.

In the first place, the Congress has accomplished a positive task of reconstruction of great importance. It has given the workers' International a new constitution, an Executive Committee of Action, a definite economic and social programme which might serve as a guide to the action of the working masses.

The Geneva Congress has, on the other hand, a negative side. The unity of the workers in the political world has been

broken : the Congress has not succeeded in finding the new formula which will re-create the broken unity.

On the contrary, what distinguishes this Congress clearly from those which have preceded it during the period after the war is the attitude of open combat adopted towards Bolshevism. Not only is all hope of conciliation dead for ever, but both from the political and economic standpoint the programme of the Second International is continually in contrast to the Bolshevik programme. London and Moscow are henceforward two antagonistic forces struggling for the supremacy over the working masses : the two poles round which the socialist forces will crystallise.

Democratic socialism is already a Government Party ; it feels the responsibility of power. In its political and social constructions it is the prudence of the statesman which is predominant, the prudence of the politician who must ask himself at every moment : is this measure realisable at the present moment ? Should one pledge the Party to-day to a measure which to-morrow it may be called upon to carry out as a Government ?

And it is precisely with this preoccupation that the fundamental characteristic of the Congress is bound up : the condemnation of violence as a normal method of political action, and as a means of social reconstruction.

The same preoccupation appears when economic programmes have to be defined. Socialisation is certainly adopted in its full extent, but its realisation can only be slow and progressive if it is desired to preserve social production and if it is not desired to expose the whole of Europe to catastrophes similar to those which have befallen Russia. In the same way political forms cannot be suddenly overthrown without producing economic disturbances dangerous to social well-being and to civilisation.

Such is the fundamental thought which is brought out by the Congress. Respect for the liberty of the individual and of peoples ; evolution within the limits of each nationality towards an ever more intimate union of peoples ; devotion to the community of all the means of production ; such is the programme. The future will show whether it corresponds to the psychological condition of the masses and the historical situation of society.

APPENDIX I.

The League of Nations.

In the interests of peace the working classes cannot regard with hostility or indifference the organisation of the League of Nations as created by the Treaty of Versailles, although it may be their duty to proclaim its insufficiency and its defects, of which the most worthy of condemnation is the recognition in Article 12 of the right to make war.

The League of Nations can only be an effective guarantee of peace on condition that it is a democratic international organisation, comprising every nation without exception and provided with the means of control and sanction which will enable it to pursue by the creation of an international police force the universal disarmament of the peoples on the sea and in the air.

It is not enough that it should have a democratic constitution, especially in virtue of the election of the Executive Council from among the assembly of delegates, but its powers and duties should be extended in regard to the distribution of raw materials, food products, means of transport, credit, and also, of the financial burdens of the war, which cannot, without injustice, be allowed to remain, for the most part, at the charge of the nations which have suffered most from the scourge of the war.

The League of Nations, thus completed and improved, will be the natural organ of the modifications which must necessarily be introduced into the Treaty of Versailles in order to ensure the establishment of a just and lasting peace. While maintaining the principle of reparations it will allow of an equitable application of this principle such as will give the nations of Central Europe the means of recovery in the common interest of the world. It will be able to substitute for the territorial limits arbitrarily fixed by the Treaty limits established in conformity with the aspirations freely expressed by the peoples.

The International Socialist Conference cordially invites the national socialist parties to use all their efforts to introduce their delegates into the existing organisations of the League of Nations, with a view to transforming its internal constitution and enlarging its powers and duties so that it may become the guarantee of the security and harmony of all nations which are equally interested in the maintenance of peace.

The Congress, further, expresses the wish that the assembly of delegates of the League of Nations at its first meeting should pronounce for the admission of the representatives of the Central Powers and of such autonomous republics as shall apply for admission.

APPENDIX II.

The International Labour Office.

The International Labour and Socialist Congress at Geneva takes note, with profound and sincere satisfaction, of the establishment of the International Labour Office, and of the organisation of its regular International Conferences.

It notes with pleasure the results of the Washington and Genoa Conferences, which, though not corresponding entirely to the expectations of the workers, constitute nevertheless an enormous progress on the road of international social reforms.

In view of the fact that the organised working class of the whole world regards these institutions as forming the most solid support of the League of Nations, as the foundation of the future International Parliament of Labour :

The Congress expresses its liveliest sympathy with the International Labour Office, and hopes that in the future we may expect from it legislation which, applied internationally, will correspond more fully to the legitimate aspirations of the workers ;

And calls upon all the working-class organisations of the whole world to help the International Labour Office in its noble mission.

APPENDIX III.

Socialisation.

By Socialisation we understand the transformation from ownership and control by capitalists, to ownership and control by the community, of all the industries and services essential for the satisfaction of the people's needs : The substitution, for the wasteful production and distribution with the sole object of private profit, of efficient production and economical distribution, with the object of the greatest possible utility : the transformation, also, from the economic servitude of the great mass of the actual producers under the private ownership, to a general participation in management by the persons engaged in the work.

The continuous and rapid growth of monopolistic control of industry by capitalism increases the power of private owners to manipulate the prices of all the necessities of life ; thus leading consumers to despair. On the other hand stands the growing unwillingness of organised Labour any longer to support a system of production which keeps them in subjection, and does not even enable them to raise effectively their Standard of Life. The conse-

quent intolerableness of Capitalism renders every day more urgent the reconstruction of industry on the lines of Socialisation.

Socialisation will proceed, step by step, from one industry to another, according as circumstances in each country may permit. Objectionable as private profit-making enterprise is to Socialists, they will refrain from destroying it in any industry until they are in a position to replace it by a more efficient form of organisation. Such a gradual process of Socialisation excludes expropriation of private ownership in land and capital without compensation as a general rule ; not only because it would be inequitable to cause suffering to selected individuals, but also because a process of confiscation would disturb capitalist enterprise in industries in which Socialisation was not immediately practicable. The funds required for compensation will be derived from taxing privately owned property, including capital levies, income tax and death duties, and limitation of inheritance.

In a community of highly developed economic life, with an extensive population largely aggregated in urban centres, Socialisation takes three main forms, namely national, municipal and co-operative.

For instance, the ownership of land should be national, whatever may be provided for the administration of agriculture including the maintenance and security of peasant cultivators, wherever they exist. Other industries of supreme national importance, such as the railway system, the generation of electricity and mining should also be national. But the conduct of a large number of industries and services will be in the hands of the municipalities and other local authorities, and federations of these, not only the provision of water and gas, and the distribution of electricity but also the provision of food, clothing, housing, etc. In several countries, the production and distribution of household supplies of every kind will form, for the most part, the sphere of the consumers' co-operative societies.

Industries which have not yet arrived at a state of concentration at which they are suitable for socialisation, or in which, for other reasons, socialisation is not immediately practicable, will be subjected to control by the community, with a view to effecting economies and improvements in production and distribution, fixing prices, and ensuring prescribed conditions of employment.

It is important to notice that, in the large measure of individual freedom that will be characteristic of a Socialist community, the adoption of the principle of Socialisation does not exclude agricultural production by individual peasants of the nation's land, or by independent craftsmen working on their own account, or by artists of any kind, or by members of the brainworking professions — provided always that they do not exploit the labour of other persons. On the other hand, the principle of Socialisation excludes the ownership of natural resources or of the instruments of production in the large-scale primary industries, by individuals or associations of persons of any kind ; together with the dictatorship of any person or group over the industry in which they work.

It is the function of the community as a whole to exercise control over the prices of commodities, and to provide whatever new or additional capital is required from time to time for socialised industries.

Administration of Socialised Industries. — A principle of the greatest importance in Socialisation is that control must be separated from Administration. The control will be exercised by the popularly elected National Assembly. The organs of administration in each industry or service must be entirely separate and distinct from those of the political government.

The National Industries. — Each industry or service will require an organisation appropriate to its special circumstances. As a general type, it is suggested that a national industry or service should be provided with :

- a) A national board to be composed of representatives of
 - (1) the workers concerned in the industry;
 - (2) the management (including the technicians);
 - (3) the community as a whole.
- b) Where considered necessary, also district councils for appropriate regional areas, to be similarly composed.
- c) Works committees for each factory, mine or other establishment.

In each national industry there will have to be separate machinery for collective bargaining between the management on the one hand, and each distinct vocation engaged in the industry or service, on the other.

There should accordingly be a Joint Board for each vocation that has separately organised itself, whether in a trade union or a professional association. Each Joint Board should be composed in equal numbers of representatives of the management and representatives of the trade union or professional association concerned.

The Right to Strike — that is to say, to refuse collectively to continue to serve — cannot be denied to any man or woman consistently with freedom. When it is no longer a question of resisting the profitmaking capitalist, but merely of obtaining, from the community as a whole, equitable conditions of employment, and a proper Standard of Life, it may be expected that the public opinion of the community as a whole will be accepted as decisive.

Municipal Socialisation. — The large part of the industries and services of each community which will be in the hands of the local authorities will be directed by the popularly elected councils of the several localities with participation in the management of their own services by representatives of the workers by hand or by brain. In municipal administration of industries and services there should be the same kind of machinery of Joint Boards for collective bargaining as in the national industries.

APPENDIX IV.

The Political System of Socialism.

The progressive disintegration of the Capitalist System, which has been increasingly taking place during the years of war, and not less during the years of peace following the war, makes it ever more urgent that Labour should assume power in society. In the term Labour we include not merely the manual working wage-earners, but also the intellectual workers of all kinds, the independent handicraftsmen and peasant cultivators, and, in short, all those who co-operate by their exertions in the production of utilities of any kind.

1. It is an essential condition of this assumption of power by Labour that its ranks should be sufficiently united, and that it should understand how to make use of the power in its hands.

2. Whilst the Congress repudiates methods of violence and all terrorism, it recognises that the object cannot be achieved without the utilisation by Labour of its industrial as well as its political power; and direct action in certain decisive conflicts cannot be entirely abandoned. At the same time, the Congress considers that any tendency to convert an industrial strike automatically into political revolution cannot be too strongly condemned.

3. The Socialist Commonwealth can come into existence only by the conquest by Labour of governmental power. The main work of a Labour Government will be to adopt, as the fundamental basis of its legislation and administration, both Democracy and Socialisation.

Socialism will not base its political organisation upon Dictatorship. It cannot seek to suppress Democracy : its historical mission, on the contrary, is to carry Democracy to completion. The whole efforts of Labour, its Trade Union and Co-operative activities, equally with its action in the political field, tend constantly towards the establishment of democratic institutions more and more adapted to the needs of industrial society, becoming even more perfect and of higher social value.

It is to-day the forces of Labour that, in the main, ensure the maintenance of Democracy. Socialists will not allow factious minorities, taking advantage of their privileged positions, to bring to nought popular liberty. Inspired by the great traditions of past revolutions, socialists will be ready, without weakness, to resist any such attacks.

4. The franchise for a socialist Parliament must be universal, applying with absolute equality to both sexes, without exclusions on grounds of race, religion, occupation or political opinions. The supreme function of Parliament is to represent all the popular aspirations and desires from the standpoint of the community as a whole. It will deal with defence against aggression from without or

within. It will be in charge of the property, and also of the finances, of the community.

It will make the laws, and administer the public business. The Ministers in charge of the various Departments will be chosen from among its members; and the Government of the nation will be its Executive Committee.

But it will be free to delegate particular powers and duties to any of the other organs of the community hereinafter mentioned, in order to secure the greatest possible participation of those personally engaged in each branch of social life. It will be for Parliament to safeguard, not only the interests of the general public of consumers, for whose representation on special Boards and Councils it will provide, but also the interests of the community as a whole in future generations.

5. It will be for Parliament to determine the general lines of social policy, and to make the laws: it will decide to what industries and services the principle of socialisation shall be applied, and under what conditions; it will exercise supreme financial control, and will decide upon the allocation of new and additional capital. In the last resort, it will exercise the power of fixing prices.

6. In the development and expansion of the productive life of the community, a large part will be played by the various organisations formed according to the productive occupations in which every healthy person will be engaged. Thus, provision must be made, in the manner hereinafter described, for the participation in the administration or service of representatives of all the different grades of workers by hand or by brain engaged in that particular industry or service. At the same time, each vocation, whether of workers by hand or of workers by brain, desires to regulate the conditions of its own vocational life, whatever may be the industries or services among which its membership will find itself dispersed. Each distinct vocation may therefore group itself in a professional association to which functions of regulation, of investigation or of professional education may be entrusted by Parliament.

7. The organisations into which those engaged in the various industries and services will group themselves, whether Trade Unions or Professional Associations, may be made the basis of a further organ of social and economic life.

Alongside Parliament it may be desirable that there should be a National Industrial Council, composed of representatives of the various organisations of Trades and Professions into which the persons belonging to each occupation may voluntarily group themselves. Such a National Industrial Council would be free to discuss and criticise, to investigate and to suggest, and to present to Parliament any reports on which it may decide. Parliament may, from time to time delegate to the National Industrial Council the drafting of measures applicable to industry as a whole, or of the regulations to be made under the authority of a statute.

STUDIES AND REPORTS

already issued :

(1) *In English and in French.*

COAL PRODUCTION IN THE RUHR DISTRICT. Enquiry by the International Labour Office, end of May 1920. (Series B No. 1, issued on September 1st 1920.)

STAFF REGULATION OF THE FRENCH RAILWAYS. (Series D No. 1, issued on September 8th 1920.)

THE CONSUMERS' CO-OPERATIVE SOCIETIES IN 1919. Denmark and Sweden. (Series H No. 1, issued on September 8th 1920.)

SEVENTH CONGRESS OF THE BELGIAN CO-OPERATIVE OFFICE. (Series H No. 2, issued on September 25th 1920.)

THE AGREEMENT BETWEEN THE SPANISH WORKERS' ORGANISATIONS. (Series A No. 1, issued on September 24th 1920.)

INTERNATIONAL CONGRESS OF WORKERS IN THE FOOD AND DRINK TRADES. (Series A No. 4, issued on October 11th 1920.)

(2) *In English only.*¹

ANNUAL MEETING OF THE TRADES UNION CONGRESS, 1920. (Series A No. 3, issued on October 4th 1920.)

(3) *In French only.*¹

LE CONFLIT DES MÉTALLURGES EN ITALIE. — LE CONTRÔLE SYNDICAL DANS L'INDUSTRIE. (Series A No. 2, issued on September 25th 1920.)

DOCUMENTS RELATIFS AUX PROJETS D'ORGANISATION INTERNATIONALE POUR LA RÉPARTITION DES MATIÈRES PREMIÈRES OU DES DÉRIVÉS ALIMENTAIRES. (Series B No. 2, issued on October 5th 1920.)

¹ In cases where the English or French text of a Report has not yet been published, it will be issued at a later date.