achieved without the workers apparently becoming aware of it.) Mr. Gordon's suggestions were made to "help our primary resource industries, which depend to a great extent on exports, stimulate domestic manufacturing industries in a much sounder and more lasting way and greatly assist the tourist industry and small business of all kinds."

There is no question that the Gordon suggestions will be profitable to the manufacturer and investor. An article in the Toronto Daily Star for Oct. 17th, 1960 shows that sales for the first six months rose from $11.5 billion in 1959 to $11.7 billion in 1960 and profits, following the downward trend, were reduced from $414 million in 1959 to a "miserable" $383 million in the first half of 1960. And so, the $55.00 per week worker or the recipient of unemployment "benefits" must be cheered at the thought that the suggested cuts in taxes, lower interest rates, etc., made by Walter Gordon would prove very beneficial to the manufacturer, to use the approach of the Toronto Daily Star. Remembering, however, that in the 1930s when income tax in England and America was relatively low and unemployment high (over 2 million in England and nearly 12 million in the U. S.), it would appear that high or low taxes bear very little relationship to the numbers of unemployed. The suggestions of Mr. Gordon may be "educated" opinions but they are still opinions, not facts.

And, of course, there is that other favorite opinion, "overproduction." The socialist states that there is really no such thing as over-production in the world today. The food that lies stored and even rotting in the warehouses and silos of Canada and the U. S.; the mountains of clothing, shoes, furniture, etc., that remain unused and wasted are unsold because the have been produced for just one reason —to be sold at a profit. The unemployed in Canada and the U.S.A., the hungry people of the East, of Africa and of Europe could all consume these goods if they were freely available to them. The glib suggestion that overproduction is the cause of unemployment does not answer the problem of want amidst plenty.

The fact is, that unemployment in Canada was consistently high during the years 1928 to just prior to the outbreak of hostilities in 1939 when a decline in unemployment became manifest. This situation also existed in the United States and Great Britain — grim comment on our social organization that permits one section of the working class to obtain unemployment in order to sustain their lives only when another section is to be engaged in the activity of killing other members of the human race.

UNEMPLOYMENT NORMAL TO CAPITALISM

Unemployment, then, is not a new phenomenon. It is a part of the social scene and since socialists are basically students of the social scene we feel competent to analyze the problem and present the solution. Unlike the university professors and the capitalist politicians, we have no reason to defend the present arrangement of society. Having no reason to offer mere **opinions** we will proceed to present facts.

The basic contradiction in capitalism is the fact that while the means and instruments of wealth production are privately, corporatively, or state owned, production itself is social. A lead pencil, for example, is not the product of the effort or labour of one person — it is the result of a whole field of human endeavour; the paint that is mixed to spray it, the rubber from the East which has been used for the eraser, the metal which attaches the eraser to the wood has been mined, the graphite for the lead and the wood pulp are all the products of other industries and have been brought together to be combined into a single product and sold on the market as a lead pencil.

Now the problem is that the people who have combined to produce the pencil do not own the tools and instruments and raw materials which are needed to turn it into a finished product. In fact, they, in common with the working class of the world in general, own nothing but their ability to labor and must sell this ability to those who do own the means of wealth production by the clock for a wage or a salary. And because the ability to labor is also a commodity, its value is determined by the cost of producing and reproducing the laborer. He must get, on the average, sufficient to keep him on an "adequate" standard to produce, to marry and raise children who will in turn take their places at the machines and so forth.

But only a part of the working day is required to reproduce the value of these wages and salaries, so the remaining part of the day belongs to the owners — the workers continue to produce, but on a gratis basis and the rest of the value they turn out becomes surplus value, the property of the capitalist class.

Now another problem enters the picture. There is not just one manufacturer of pencils. Our owner must compete for markets among his fellow capitalists in the same business. And there is only so much market to begin with because the workers can only spend the totality of their wages while the capitalists are relatively too few in number to consume all of the pencils produced. And so we find a situation developing where the pencil manufacturer must call a halt to production, or slow it down because he has more pencils than he can dispose of and they are of no use to him unless he can dispose of them, and at a profit. In following the trend, he will introduce new methods and techniques by means of which he can produce more pencils at a lower cost with fewer workers. So workers get laid off and the army of the unemployed, which is a normal part of capitalism, from time to time increases in numbers, creating a problem of which the capitalists must take heed.

And so we live in a society in which a continual struggle goes on between workers and capitalists over wages and working conditions and between capitalists and capitalists for markets and sources of raw materials. And because we have such a society, unemployment must always be a part of it. An army of unemployed workers is a factor in preventing wage rates from getting "out of hand" and serves as an invisible club to keep the workers from too great a show of militancy. A recent statement by Metropolitan Toronto bears this out in no uncertain terms:

> "The proposed strike, in the opinion of the Civic Administration is illegal and any employee scheduled to work Monday, November 28th, 1960, who absents himself from work that day shall be deemed to be voluntarily separating himself from employment with this corporation." (Toronto Daily Star, Nov. 25, 1960).

This threat to fire all Metro employees was possible because of the large army of unemployed in Toronto today.

Unemployment, then, is a normal part of capitalism and will remain as long as we are willing to support this society. Only by the working class organizing for socialism, a society in which the means and instruments of wealth production are the common property of all mankind, can this problem and all the other capitalist-hatched problems be eliminated. When goods and services are produced for use rather than for sale on a market, every man, woman and child in the world will have free right of access to what is produced and mankind will enter a new and higher life than has been hitherto possible.

G. CATT, Canada

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