Two and Two Don't Make Seven

(Mathematics of Economics)

The Chamber of Manufacturers of New South Wales, that strong denouncer of "class-war," has begun an offensive against the working class. The attack takes the form of a廣告 campaign. Under the heading "Two and Two Don't Make Seven," we are given an example of C.O.M. economics and the advertisement continues:

"We can raise our standard of living only if we produce a greater volume of goods and services than we have done previously. There is no other way to do it."

At first glance, this statement seems sound enough. Surely, if there is not enough to go round, the obvious solution is to produce more. If we examine capitalist economy superficially, we can solve many other problems just as easily. But let us face facts and get to the core of the question.

Should We Produce More?

This "produce more" argument is not new. It is a corollary of the recent statements of Mr. Congreve (Labor Premier of Tasmania), Mr. P. Walsh (Economic Adviser to the New Zealand Labor Government), Mr. Chifley (Australian Prime Minister), and Mr. Attlee, all of whom voiced similar opinions when dealing with the present position in their particular localities.

What these puzzled apologists for capitalism fail to see is the lesson of history.

Economic records of the past twenty years, with glaring instances of overproduction with attendant poverty and want in the ranks of the working class. Only a fool could forget those prewar years when millions of bushels of coffee were dumped into the sea while workers went without; when wheat was fed to locomotive furnaces while unemployed workers died of starvation; when fish unsellable at a profit, was used as a fertilizer to produce more food to glut subsequent markets. (For further examples, see files of S.C. and R. and Companion Party papers.) While Premier Congreve waited about "producing more," millions of cases of apples went to waste in his home State, Tasmania, and, as it to tame unsatisfied workers, the news reels depicted scene showing pigs, iced with apples, that they could eat no more. Such contradictions in capitalist economy is no new phenomena. They existed before the war, during the war, and appear again in the post-war economy. At some time or other, almost every commodity has had its "glut" period. This in itself should constitute a telling reply to the "produce more" economists.

No Hunger — No Profit

It is a paradox of capitalist economy that without hunger there can be no profits. Sounds strange, doesn't it? But, given capitalism, it is not so strange on examination. Under the existing social order the means of wealth production and distribution are owned and controlled by the capitalist class. The workers, a propertyless class, can work only by permission of the owners and are, therefore, dependent on the owners for their livelihood. An independent working class would mean a lack of wage-slaves for the employers. NO WAGE SLAVES—NO PROFITS.

The economic class has taken the place of the slave-driver, workman of a previous social system, and the conditions which grew rise to changes in the method of exploitation have also given rise to an increasing consciousness on the part of the workers that they are being robbed by their new masters. Hence the guile required to pull the workers into accepting the changed social order. New exploiters require new excuses.

The "produce more" slogan implies insufficiency. Were the implication valid, capitalists as well as workers would suffer want whereas we know from experience that it is workers alone who suffer shortages during so-called scarcity period. Actually it is not a question of insufficiency—the capitalists always have MORE THAN ENOUGH.

The workers are always short.

Mathematics for the Masses

We are told that "Two and two don't make seven," but while most of us know that two and two make four, few seem to realize that C.O.M. arithmetic fails to see that assuming the total production to be 4 the magnitude of that number places no limit (within the magnitude) on the size of its component parts. We may have four leaves, but if the capitalist gets three, and the workers one, or vice versa, it is futile to condemn the number four because some numskull drew wrong conclusions through bad arithmetic. The distributive limitations of capitalist production do not depend on faulty figuring. The apportionment of the wealth produced is determined by economic laws which are inherent in the social system itself. The reproducing capitalist class owns the wealth produced by the sellers, and what is more, they are entitled to own it. But often, as in the case of owners of the railways, they are entitled to get whatever they can. It falls down to a struggle between conflicting rights. As philosopher Hegel pointed out many years ago: "Between every two decisions," and the question is: "Who has the force?"

Revolution the Answer

The owning class maintain their privileges by virtue of the force crystallized in the State, e.g., the armed forces, the judiciary, the police, and all the other organs of oppression. In democracies, these forces are controlled and used by the Government party which happens to be in power at a particular moment. The Government party is according to the interests of the political party which forms that Government, and as the electors elect capitalist representatives to power the "right" of the exploiting class are maintained. The only alternative in keeping with working class interest is the overthrow of the capitalist class and the acquisition of political power by the workers. This implies the conquest of power by a class conscious body of working men and women for the specific purpose of dispensing the owning class and establishing a new economic order; in plain words, it means A Socialist Revolution.

Only in a Socialist Society will the slogan "Produce more, to get more" mean anything worth while; for when "each produces according to his ability and each receives according to his needs," then an increase in production will mean an improvement for all.

Under present conditions, the more the workers produce, the sooner they will be out of work for history teaches that the time must inevitably come when production will once again reach the paradoxical point where the majority of the population have not enough to eat Because They Have Produced TOO MUCH.
THE CHIEF JUDGE WANTS TO KNOW SOMETHING ABOUT THE "NEW ORDER"

Where Ignorance is Bliss
During the hearing of the application for a new Order (Federal Court of Australia), Mr. Justice Howie, representing the Commonwealth Arbitration Court, Mr. E. W. B. Elford, representing the Australian Commonwealth Bank, and Mr. J. R. J. Calvert, representing the Commonwealth Bank, took the view that the relevant banks would be the first to lose financial stability and hence the economy of the country from the effects of the depression. Ominously the constant reference to the depression and the social order, it was clear that the real cause of the depression was not the failure of the banks but the failure of the government. The Chief Judge, Mr. Justice Howie, warned that the proposed Order would be a dangerous precedent. (Amalgamation of Banking and Commonwealth Bank, p. 27.)

The New Order
The Chief Judge has expressed the view that the new Order is likely to have far-reaching consequences. He has been critical of the government's handling of the depression and has suggested that the new Order is a means of avoiding responsibility for the economic situation. (Commonwealth Bank, p. 30.)

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When speaking of a New Order, we must consider the effects on the production and distributing wealth. (The National Bank, p. 27.)

Slavery Capitalism
We are at the mercy of those who own their wealth. (The National Bank, p. 27.)

The President of the Agricultural Union (Mr. G. W. Sargeant) warned that the welfare of the nation is at stake. (The National Bank, p. 27.)

A small group in the new Order will be affected. (The National Bank, p. 27.)

No one in the new Order will be affected in the same way, but within the sphere of the Order we have the right to say whatever we want. (The National Bank, p. 27.)

We cannot control the trade of the country. (The National Bank, p. 27.)

But what is it that we are to do? (The National Bank, p. 27.)

What is the cause of the depression? (The National Bank, p. 27.)

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Why Not Sleep in the Church?
The Vicar, Mr. G. M. Douglas, Green, who has been a staunch supporter of the church, has announced that he will be available to hear anyone who wishes to come to church. (Amalgamation of Banking and Commonwealth Bank, p. 15.)

PARTY NOTES
P.S. — B. M. P. Box 236, Parkville Station, Melbourne, 5000.

P.S. — Melbourne, P.B. Box 1450. Meet every Tuesday, 7:30 p.m., Station House, Brunswick. (Amalgamation of Banking and Commonwealth Bank, p. 15.)

P.S. — Ladies' Note: Column over every Saturday.
CORRECTION

Several errors crept into our last issue. We hasten to correct them.

In the report on the debate between the S.P.A. and the N.W.R.M.——
Page 1, col. 1, line 53: "Charity" should read "Charter."
Page 1, col. 3, line 8: "Socialism should read "Capitalism."
"Censorship and Socialism."
Page 2, col. 2, line 56: "Legislation" should read "Capitalism."

Answer to "Who wrote this?"

Marx and Engels in a letter to Bebel, Liebknecht, Brüche and others, September, 1879. Marx-Engels Correspondence p. 373.

COMPANION PARTIES

S.P. of CANADA: P.O. Box 1751, Winnipeg, Man., Canada.
S.P. of NEW ZEALAND: P.O. Box 62, Petone, and P.O. Box 1929, Auckland.
PETONE MEETINGS: See local press.
AUCKLAND MEETINGS: Economics and Discussion Class, every Monday, 7.30 p.m., Carpenters Union Rooms, Union Bank of Australasia Buildings, East Street, and Karangahape Road.

HERE'S YOUR OPPORTUNITY!

The Socialist Party will send Speakers to any Organisation to explain the Socialist view on any subject affecting working class interest.

Ask Your Party.
Ask Your Trade Union.
Ask Your Organisation.
TO FORWARD YOUR REQUEST.
WE WILL DO THE REST.
AND REMEMBER IT COSTS YOU NOTHING.

S.P.A. S.P.N.Z.

OBJECT.—The establishment of a system of society based upon the common ownership and democratic control of the means and instruments for producing and distributing wealth and in the interest of the whole community.

The Socialist Parties of Australia and New Zealand hold:

1. The society as at present constituted is based upon the ownership of the means of living (i.e., land, factories, railways, etc.) by the capitalist or master class, and the consequent enslavement of the working class by whose labour alone wealth is produced.
2. That in society, therefore, there is an antagonism of interests, manifesting itself as a class struggle, between those who possess but do not produce, and those who produce but do not possess.
3. That this antagonism can be abolished only by the emancipation of the working class from the domination of the master class, by the conversion into the common property of society of the means of production and distribution, and their democratic control by the whole people.
4. That as in the order of social evolution the working class is the last class to achieve its freedom, the emancipation of the working class will involve the emancipation of all mankind without distinction of race or sex.
5. That this emancipation must be the work of the working class itself.
6. That as the machinery of government, including the armed forces of the nations, exists only to conserve the monopoly by the capitalist class of the wealth taken from the workers, the working class must organise consciously and politically for the conquest of the powers of government, national and local, in order that this machinery, including these forces, may be converted from an instrument of oppression into the agent of emancipation and the overthrow of privilege, aristocratic and plutocratic.
7. That as all political parties are but the expression of class interests, and as the interest of the working class is diametrically opposed to the interests of all sections of the master class, the party seeking working class emancipation must be hostile to every other party.
8. THE SOCIALIST PARTIES OF AUSTRALIA AND NEW ZEALAND therefore enter the fight of political action determined to wage war against all other political parties, whether alleged Labor or avowed Capitalist, and call upon the members of the working class of this country to muster under their banner to the end that a speedy termination may be brought to the system which deprives them of the fruits of their labour and that poverty may give place to comfort, privilege to equality and slavery to freedom.

Those agreeing with the above principles and desiring correspndence apply to nearest address.

THE BASIC WAGE—NOMINAL OR REAL

It is generally agreed that the £1 per week is worth 12s. 6d. compared with pre-war costs. If we deduct the tax from the present basic wage we get the following comparison with the pre-war basic wage:

<table>
<thead>
<tr>
<th>Basic Wage,</th>
<th>Take home</th>
<th>Present purchasing power compared with 1919.</th>
</tr>
</thead>
<tbody>
<tr>
<td>July, 1940</td>
<td>s. d.</td>
<td>s. d.</td>
</tr>
<tr>
<td>SYDNEY</td>
<td>4 19</td>
<td>11 0</td>
</tr>
<tr>
<td>MELBOURNE</td>
<td>4 18</td>
<td>11 9</td>
</tr>
<tr>
<td>BRISBANE</td>
<td>4 14</td>
<td>10 3</td>
</tr>
</tbody>
</table>

Average basic wage of 1939 was 14s. The real wage has been reduced by approximately 25 per cent. Further allowance must be made for the shoddy nature of goods supplied today.

M.R.—Notwithstanding the foregoing, the Communist Party proposes an "increase" of one pound per week in the basic wage.