

The Drift of Things

WALTER N. POLAKOV, eminent consulting engineer, was retained by the Dial Publishing Company to report on the cause of the present situation in the coal industry. This report appears in the current issue of THE DIAL. It is not alone a revelation as to the conditions which compelled the strike, but it is at the same time a most illuminating cross-section of the whole capitalistic system of production.

The points of fact brought out, in a strikingly decisive way, are the following:

- 1—The coal operators do not control the selling, which is done largely through jobbers. There is no co-ordination, therefore, between the mining and selling.
 - 2—The cost accounting is of such character that there is often ignorance of production costs.
 - 3—The training of employees is not organized, causing great waste.
 - 4—Machine operation constitutes little over 50%, showing backwardness of production methods.
 - 5—Wastefulness of time, materials and possible output (coal left in mines), is notorious, 33 to 50% of coal resources being despoiled. Since 1844, this waste is figured at 7,541,550,000 tons. Same rate of use and wastage will exhaust the coal supply in 100 years.
 - 6—Processing the coal at the mine, by conversion into coke, saving of ammonium sulphate, tar, benzol and other derivatives, would increase value of annual output to \$8,000,000,000 (as against present total of \$2,500,000,000).
 - 7—Electric power could be generated at mouth of mine for radius of 300 miles, as method of using vast supply of coal left unmined. There is also wastage of 25% and more in coal after production by improper methods of firing.
 - 8—There has been no attempt to solve the problem of storage, production being on basis of immediate needs and idleness the rule when there are not enough cars to load the day's output.
 - 9—Out of possible working days in year, at maximum production, work is carried on only two-thirds of the time. The five-day week means 13% to 21% more days per annum than the miners were ever called upon to work.
 - 10—The six-hour day is easily within the range of better managerial and production methods. (It is to be noted that the 6-hour day really means 8 hours underground, including the travelling "to face coal" and the return to mine opening).
 - 11—After the declaration of war the margin of profit on coal went up 600% over 1916. Under the price regulation it never was lower than 180% over pre-war prices. The regulation stopped February, 1919, the war emergency having passed, so far as concerns profits, and the margin went to 400% over pre-war profits.
 - 12—There have been no wage advances since November 1917. (And the President now again discovers a war emergency!)
 - 13—The demand for 60% wage increase could be granted without change in the price of coal if the increase in profit margin over 1916 were given up.
- What is needed above all, declares the expert, is regulated employment as against

"disorganized convulsions between 195 and 260 days per year."

Mr. Polakov asks what is the answer to the situation in this industry, and as a technical expert, not as a propagandist, he replies to his own question: "organization of production for consumption, not for sale and the subsequent division of revenues between those who HAD and those who DID."

THE NATIONAL INDUSTRIAL CONFERENCE BOARD issued a report on "Wartime Changes in Wages." In view of the extensive and persistent propaganda about war wages, it is well to note the actual dollar and cents figures in the eight leading industries covered in the report. There is a big percentage increase, but it requires no commentary to impress the "standard of living" which lurks behind the figures.

	Male Workers		Female Workers	
	Sept. 1914	March 1919	Sept. 1914	March 1919
Metal.....	13.18	24.75	6.45	14.50
Cotton	10.00	17.10	7.70	12.75
Wool	11.52	18.61	8.70	13.46
Silk	11.77	22.69	7.49	15.10
Boot&Shoes	14.70	25.90	9.18	14.69
Paper.....	12.73	22.40	7.47	12.24
Rubber	14.00	29.35	9.25	14.90
Chemical ..	12.85	26.20		

AN ALLIED MISSION is here to establish a World Trade League "to overcome Prussianism in commerce."

The political weapon, the League of Nations, is the shadow; the real power is the direct economic organization—the world chamber of commerce.

The two fundamental problems: 1) "the suppression of labor unrest to bring about maximum productivity"—note the language, "suppression of labor unrest," not the solution of labor unrest; 2) Arrangement of system whereby Allied countries can get long-term credits in the U. S.—(a system whereby the U. S. signs all the notes of the bankrupt European governments—and backs up the signature by suppressing labor unrest).

THE NEW HAVEN "JOURNAL COURIER", in its enthusiasm about the World Trade League, says: "This compact means nothing more nor less than the removal of the causes which in nine hundred and ninety-nine times out of a thousand make for war."

Quick, Palmer, the Espionage Act! Or is the one-thousandths loophole big enough for escape?

THE TALL KING OF BELGIUM—and his Cardinal Mercier—and a queen in the bargain, come a-visiting: the loan is only \$50,000,000.

The little prince of Wales comes over, and makes little princely speeches,—and Morgan & Co. offers the public \$250,000,000 notes of Great Britain @ 5½%.

How touching is this international amity!

THE EDGE BILL, which passed the House on November 7th, permits national banks and other financial institutions to create international banking corporations to the extent of 10% of their total capital stock and surplus.

This is one of the series of bills passed in recent months in recognition of the governmental alliance with American international finance.

In connection with Federal shipping legis-

lation, Senator Jones, Chairman of Senate Commerce Committee, predicted that ships flying the American flag will almost equal the tonnage of Great Britain by end of 1920.

AN ANGLO-AMERICAN COMPANY purchased all German private and state interests in the diamond field of what was formerly German Southwest Africa. The dispatch states: "Some protests are expressed over what is called 'secrecy of the deal' and allegations are made that the purchase was affected through undue influence in political quarters."

And, by the way, this new hyphenism is appearing quite frequently of late: Anglo-American finance.

With it, a vast and subtle propaganda and inter-society campaign for unity between the two ruling cliques—in the name of Anglo-Saxon propinquity.

ANGLO-AMERICAN-DANISH CORPORATION gets flaxseed concessions in Lithuania. Other negotiations look toward waterway and railroad rights—and there is even a film company with American capital.

Self-determination of small nations means finance-determination by the dominant imperialisms.

THE VERSAILLES PEACE TERMS are now found to coincide with the ideas of Czar Nicholas, expressed in November 1914, in conversation with the French ambassador in Petrograd, M. Palcologue—but the Czar didn't collect on his own bets.

One item is particularly illustrative of this diplomacy, that the Czar expected not only to hold on to Poland, but to extend its boundaries (very much as has been done, so far as Germany is concerned)—and this statement followed shortly upon the famous manifesto promising restoration of independence to Poland!

RESERVATIONS are the order of the day. The Senate is making peace treaty reservations, firstly, to make a campaign (which has elements of popularity in its appeals for a home policy—an appeal not substantiated by the extensive legislative and diplomatic preparations for foreign investment); secondly, to reassert the prerogatives of the Senate against the President; thirdly, to play up the special American imperialistic interests better than was done at Paris.

Even the most casual reading of the reservations shows the purpose of playing fast and loose with the Allies, using them without being too much used by them.

The Senate is playing the American hand in the international gamble for higher stakes than the acquiescent Professor dared venture at Versailles.

TWO BOYS were suspended from a Chicago high school because they exhibited "red" symptoms, and didn't like what one of them called the "Mohamedan" performance of "looking east" at a given signal.

Why not take a chance that the further "education" will cure them? Oh, ye men of little faith—in your own mind-destruction!

SPOT THE HEADLINES: "Stories Exaggerated of War Cost of U. S."—"Pro-German Propaganda is Refuted by Figures." The war only cost us \$30,177,000,000!