

That is the situation in America to-day, the same as in other nations, because irrespective of past differences, the present essentials are identical in all advanced countries. And we, like they, are developing physical force as a means of making our capital and our capitalist connections by land and sea secure. And we, like they, are teaching our working class the faults or pretended faults of the workers of competing nations, whether it be the yellow peril or Mexican treachery or something else. So long as this is successful, the working class is prevented from uniting against the supremacy of minority interests.

IV. CONCLUSION

That brings us back to the divergence in price between commodities and securities. The increased price of commodities is based on war consumption, meaning an unlimited outlet plus a decreasing supply of producers.

The relatively decreased prices of securities is due to factors which threaten profits or the permanence of profits, that being the basis on which these are estimated by their inherent purpose. But profits and their continuance are founded on a continually expanding outlet. What have been and what are the unfavorable indications in this respect?

The first big drop in the values of securities resulted from the peace manœuvres of the German government. If successful, they would have brought the war consumption to a sudden stop, and peace, before too much life and capital had been wiped out, would have meant the contraction of our outlet plus the return of European competition. So the market promptly went to pieces for fear that killing would end "prematurely," even before we knew the terms or details. Anyone who was at all informed might have known that the German government was incapable of offering a lasting peace, and therefore one that was fit to accept. But who could tell if and when the German people might force the government to make peace and break up the policy of the German ruling elements! This was equally a menace to our outlet, so that the mere knowledge of *any* kind of peace was fully sufficient

to enable those traders who had been tipped off in advance to raid the market and demoralize it completely.

However, the threatened peace did not materialize, and we retained our war trade. Then the submarine menace appeared on the scene; we had retained our customers but the outlet was again endangered by threatened cessation of delivery to them of our products. Without sea communication we would be compelled to keep our capital and our merchandise at home—the last place that we had any use for them. So we asserted our moral right to navigate the open sea. This moral right had existed at any and all times, but we had never before been so acutely in need of exercising it. At this stage, however, failure to assert this moral right would have meant worse material collapse than ever before, and it was carefully so recorded in the stock market prices, which went tumbling to new low records. The entire capitalized value of our productive forces was in danger.

Wall Street not alone saw this, it foresaw it because it felt it in the price changes, ahead of the rest of the country. It therefore became warlike not in order to relieve an already existing depression in industry, usually the preliminary condition for making war acceptable to the masses, but to prevent a coming depression.

It had its work cut out to make the country as warlike as itself. For the people had not been asked to declare war, but had merely been told that they had done so, after which they promptly failed to volunteer either their lives or their money.

In fairness to our ruling class and our democracy, it is no more than just to call for an explanation of why Wall Street did not wait for the industrial depression to arrive, and then make war. The big capitalists could meanwhile have weathered the storm, at least as well as the rest of the country, and such a war would then have been the result of a majority conviction. A ruling minority in all sincerity has no such faith in a future majority, and cannot moreover do so logically. Later on, the choice of war and peace would be out of the hands of the Wall Street powers. It will rest in the greater mass outside, which is not nearly so certain to decide for war and the security of capital and its transportation