Who Own the Shares?

In spite of the numerous inquiries made from time to time which have demonstrated that the bulk of property is concentrated in few hands, professional apologists for the capitalist system go on arguing from selected evidence that wealth is fairly equally distributed. The favourite line taken by these people is to find the number of shareholders and the number of share-holders in particular companies, divide the latter into the former and show a fairly small result representing the "average number of shareholders owned by each shareholder." The calculation is utterly worthless as a picture of capitalism as a whole. Such averages mean nothing and in any event capitalists do not ordinarily invest more than a small part of their money in any one company.

An example of this is the American Telephone and Telegraph Company. It boasted in 1897 that it had 434,580 stockholders and that "no one of these stockholders owns as much as one per cent. of the capital stock." (See Annual Report for 1897, p. 7.) The capital stock amounted to about $470,000,000, so that the average shareholding was about a little more than $600, which is not a very large amount, but which gives no justification whatever for the assumption that the firm's employees and other small shareholders owned $600 or less in it, and that there are no big share-holders. In fact there are a number of shareholders who own enormous blocks of stock, and a large number of stockholders who own only trifling amounts. In the list of stockholders at June 30th, 1932, there are 29 stockholders whose total holdings exceed $1,000,000,000, an average of about $300,000 each.

Moreover, there is nothing to prevent the same person holding blocks of shares in several names. The New York News-Ledger pointed out that at that time on the list of stockholders of A.T. & T. there was a certain G. F. Baker with 93,392 shares, each of 15 dollars par value, but he was also reputed to be the owner of another 31,201 shares in the name of D. T. Waters and 31,000 shares in the name of F. H. Pierce (both employees of J. F. Morgan's First National Bank of New York, of which Baker was Chairman). It was estimated that Baker had a right of subscribing to additional stock granted to stockholders in 1928 his total holdings would amount to about 123,392 shares, or $2,800,000 at par. (Actually the market price was far above par. In 1929 and 1930 the 100 dollar shares were being bought and sold at 207 and 430 dollars.) The shares would give Baker an income from A.T. & T. alone of about $300,000 a year, equal to the pay of upwards of 1,000 employees.

This is the true picture of capitalism as a whole, which each typical firm presents in miniature.

The Australian Trade Union Congress

The Australian Trade Union Congress has just closed, and although the plaudit of the Australian trade unionist is as bad as ever before, the attendance was by no means large.

Many Trade Union conferences have been held, and if we examine the decisions of the congress we will get an idea of the organisation in which the Trade Union Movement is going.

The delegates represented many Trade Unions, having varied sections of interests and particular grievances. But political opinions predominated, and almost every shade of political opinion was in evidence. There was the "shock" brigade from New South Wales led by Mr. Jock Garden, east, while Communist Party foundation member, but now organizer-in-chief for the forces of J. T. Lang, Labour ex-Premier of New South Wales. Most of the "brigades" consisted of Trade Union officials who had been appointed to the Upper House (New South Wales) by Lang, when the latter was Premier. Every time Lang's name was mentioned the "brigade" hailed him as the "saviour of the Australian workers," and the "I hear, I hear" were as fervid as the "Hallelujahs" of other well-known worshippers.

There were Scullin Labourites, Communists, Minority Movement members, National Credit Cranks, and a large number of other trade unionists, most of whom were convinced that the congress was going to do something for the workers, and as soon as there is a change of government and a threat of interference with benefits to industries the blood-for-capitalists engage in publicity campaigns to show how necessary it is to assist their industries. Officials of Trade Unions covering the industrial field, faced with losses of paying members in the event of the bounty being cut off, actively assist in such campaigns from time to time.

Delegates to the congress instanced cases of firms, supported and granted tariff protection by a Labour Government, refusing to employ trade unionists. Other firms had reduced wages and working conditions of workers who had assisted in the tariff protection drive.

Delegates who had supported the Scullin Labour Government, which granted these tariffs and benefits denounced evils resulting from their own actions.

Unemployment

The unemployment question was languidly debated at the congress. Delegates who had supported the Labour Governments, which had ignored the requests of the unemployed, now shed tears about the plight of the workers.

Ardent supporters of the Scullin Labour Government strongly criticized the National Government. Yet when the former went out of office—in spite of their claim that their tariff proposals would reduce the unemployed army by 80 per cent.—the number of workers without jobs was greater than ever it had been.

Delegates who had supported the Hodgman State Labour Government, which had ruthlessly attacked the Trade Union Movement and the unemployed, now turned their wrath against the Nationalist Government. Yet Mr. Mobs, Secretary of the Employers' Council, stated that the Nationalist Government had granted concessions which the Hodgman Labour Government, under the same Unemployment Act, refused to concede.

The Labour party from New South Wales, whose idol had placed the interests of the workers secondary to that of the manufacturers, boasted about the trivial concessions which Lang had bestowed upon the workers in that state. In general, the challenge to show wherein the "Lang Plan" would further the interests of the working class, these blind hopes had made a long drag drive to secure the support of the congress for the Lang Labour Party.

Out of the jumble of discontent came long-winded resolutions, stammering in their alliteration, verbiage, and carried by overwhelming majorities. Demanded in these resolutions were boots, clothing, blankets, fuel, lighting, medical relief, maternity benefits, milk for babies, revised dope payments, cessation of evictions, etc., etc. These demands exceeded by far those advocated by the Minority Movement and the Communists, and thus we had the spectacle of the "reactionary Trade Union Movement" leaving "vanguard" in a rearguard position.

Other resolutions demanding elaborate Unemployment schemes, alterations in the Commonwealth Constitution and the National Health Insurance were also carried.
Free Speech, Free Press, Etc.

During the last election campaign, as at many previous campaigns, the Nationals promised to get rid of the "Reds" if returned to power, and having been elected with moderate alterations in the Crimes, Immigration, and Anti-Socialist Acts. A prosecution having been launched against the publisher of the Workers' Weekly, Communist Party organ, members of the Party pressed congress to carry a motion of protest against the actions of the Government.

Whatever objection the Government has against the Workers' Weekly, it cannot be based upon the fact that that organ is revolutionary. When its columns are not being used for slanders against attacks upon, and lying about, opponents they are filled with falsifications of Marxism, distortions of socialist science, and big boosts for the Russian wage system.

The Government selected these people and their paper for special penal attention simply with the desire to avoid disorder, which disturbs the smooth running of the system. The last three or four elections have been fought on the "Clear up the Reds" issue, however, the congress did not stand by anyone penalized under the Act, mentioned, and the constitution of the latter may be tested. Here we see the real motive: to bolster their illegality and to prove their legality through the ordinary constitutional channels.

Ways and Means

Under the heading of "Unemployment Objective" Congress carried a resolution worded thus: -

"Congress realising that unemployment cannot be solved under the present system of capitalism, therefore calls upon the Trade Union Movement to unite on the basis of replacement of capitalism by the Social Ownership of the means and instruments of production and distribution, and instructs all branches of the A.C.T.U. to work for unity on this basis.

An amendment, substituting "a system of society based upon the common ownership and democratic control of the means and instruments of production and distribution, and on the actual control of the whole community," was defeated overwhelmingly.

This showed just how much socialism the delegates really understood, especially in view of the wide interpretations "Social Ownership" was open to. This was proved later by delegates stating that the "Social Ownership" party would stand on "Social Ownership." Then we found Scullin Labour Parties and Lang Labour Parties—although they were not to each other—claiming that this was their object.

It was here also that we got an example of the working class anything about it. That work must be done by Socialists.

W. J. CLARKE,
Socialist Party of Australia, Melbourne.

Notice to Correspondents.

Several correspondents have written us at different times complaining because we have answered their questions or criticisms by post instead of in print or because we have refused to allow them unlimited space in which to state their criticisms. As there is evidently some misunderstanding of our policy we draw the attention of correspondents to the statement below.

The S.P.G.B. cannot undertake to publish in the "S.S." every letter we receive and for which publication is requested by the writer. While we try to meet such requests as far as possible, the decision must remain with the S.P.G.B. and be based on our view as to the importance of the subject, its interest to readers, and on considerations of space. Similarly when we have agreed in advance to publish a criticism we cannot allow it unlimited space.

What we do undertake as far as in our power is to give a definite and frank reply, either in print or by letter, to all questions and criticisms.

A little thought should be sufficient to convince anyone that no other form of link up with the Socialist Party of Canada, which has already been established, is possible.

Neither the Socialist Standard nor any other journal could give an undertaking to publish every letter.

The "S.S." exists for the purpose of making known to the workers the principles of the S.P.G.B. If control over the columns is to be exercised in any way it must be by the L.R.U. party and by those who are party to the Socialist Standard as a journal of the Socialist Party of Australia.