

HOW TO END PANICS

An Address to Poor People

WE are having a panic; and all that you know of the how and the wherefore of it, is that you are laid off, there is no work, your savings are dwindling very fast, you do not know how you are going to pay your rent a month from now, or two or three months at most, nor how you are to get food for yourself and those depending on you. These things you *know*, with a desperate and unsparing certainty, that does not quit you, day or night, and makes you haggard, restless and futile in all you undertake. As for the rest, it is all a muddle; how it came about, why it came about, who is to blame or what is to blame, of this you have a mass of indistinct and contradictory impressions gotten from your newspaper, your corner saloon or grocery, your boss or your shopmates, none of whom have any clearer conceptions than yourself, and every one a different conception. One thing seems conclusive: neither you, nor any one of these, has any more power over the condition than over a thunderstorm; the social wheels are coming to a stop, and no one is able to keep them turning. And yet—*society is made for men, not men for society*; society is, or should be, an arrangement for the mutual benefit of all its constituents; it is, or it should be, sufficiently plastic to be remoulded by the needs of its members. As it is, however, so far from being served by the social organization, the security, well-being, health, even the bare existence of its members, are destroyed wholesale, so that Society-as-it-is may continue to exist; so that bonds, banks, interest, rent, profit, and taxes may continue their course undisturbed. Beside these august institutions, hoary with time and respectability, human flesh and blood are weighed as nothing, and men die in their hunger and despair that property may be preserved inviolate. So curious is the human mind, developed under the pressure of Society-as-it-is, that it is thought better to sacrifice the living maker to the inanimate thing he has made. Rather than take the food which was

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made to be eaten, humanity dies of hunger gazing at it; rather than warm itself with the coal which was dug to be burned, a human being freezes to death in the secluded corner of a coal yard; rather than clothe itself with the garments which were made to be worn, a rag-concealed body shivers into final stiffness, while the unworn garments hang upon metal "dummies." Under this half-matured idea of what society is for, the real object of food-production is lost sight of; instead of being made to be eaten, it is made to sell; and the dealer in it will rather throw it into the sea, let it rot in the market-house, or burn it, than part with it without selling it. Coal is not dug to warm, but to sell; clothing is not made to protect, but to sell; houses are built, not to shelter, but to sell; and money is coined not to represent values in exchange, but to sell. To sell, *to sell*, TO SELL FOR GAIN! That is the principle animating all our social transactions. Whereby it comes about that humanity serves the Social Organization, not the social organization Humanity. Whereby it likewise comes about that in our best times, our highest ambition is to do bad work and get it received as good, and our masters' highest ambition is to get bad products on the market at the price of good ones. Big and little, all are seeking to get something for nothing; and the real purpose of producing at all, which should be to build up and preserve good bodies and good brains by the use of good, honest, wholesome products, is entirely forgotten. Whereby, also, it comes about that in our evil times, like now, we find ourselves helplessly staring at this great vague black ghost, the Panic, not knowing what to do to help ourselves, though there is plenty in the land, though the will to live is as strong as ever, and the brain is here, and the muscle is here, and all manner of material is here.

They raised a cry that gold was not here; how and why it got away, those who know all about it have taken good care to muddle well. But supposing it had gone away: is gold the thing any of us stand eminently in need of? Suppose that all the gold in the world were transmuted into dust by some philosopher's stone (its use as money has transmuted flesh into dust often enough); should we be reasonable creatures, then, to sit down and die in the midst of the wheat and the corn? Do we clothe ourselves, warm ourselves, feed ourselves,

with gold? Then why do we all stop doing these things because gold should have vanished? How much gold do any of you ever see anyway? Most of you see it occasionally in the shape of a five-dollar piece in your pay envelope, which you are generally anxious to change for paper so that you will not accidentally hand it out as a new cent. As gold you have no earthly use for it, while as money you prefer the paper which you proceed to exchange for things you need—bread, butter, meat, potatoes, milk, cotton, linen, and wool. Why, then, is it not possible to go on producing and exchanging these things, without reference to what the owners of gold are doing with their little usable commodity? Why? Because in your sublime stupidity and belief in those who rule and exploit you, you think what the gold owners want you to think; i. e., that you cannot trade coats for sugar, nor rye for shoes, unless you are able to trade the paper representative of the rye or the coats for this starvation metal that you do not want and cannot use; and because, in pursuance of your delusion, you are willing to uphold the great pyramid of gain which has its base on you and its apex in J. P. Morgan. For years you went on creating values for your employers far in excess of what you received; they pocketed the difference. For the same years your employers went on amassing these values, which they must now turn over in great part to the Napoleons of Finance, who have seized the opportune moment to squeeze them.

By the continuous operation of the process of giving more than you get, it finally arrives that the gatherers of gain have gotten products into their possession and are not able to part with them, because the givers of gain have nothing more to give. Meanwhile the gain-gatherers inaugurate a fiercer looting of each other. The owners of gold, the king commodity, proceed to concentrate it in their own chosen places, and the cry goes abroad that "the people are hoarding." "The people," save the mark! How much have you hoarded, you who read this? How many do you know who have anything to hoard? And for those industrious and saving souls who may have succeeded in putting away two or three hundred dollars in the bank, in the course of five years' work (the withdrawal of which by the "hoarders" is sometimes said to have caused this panic), what will

have become of their "hoards" at the end of two or three months out of work?

One Leslie M. Shaw, former Secretary of the Treasury, is reported as saying that one of the potent causes of the panic is, that "the American people have been living extravagantly, the practice being well-nigh universal," while at the conclusion of the same speech he regrets that the people, having lost confidence, have withdrawn their money and are selfishly hoarding it. O wondrous operation! You spend your money and you get a panic, or you put it in your stocking and you get a panic! "Be damned if you do, and be damned if you don't."

You have been extravagant, you people who live, a family of you, in three rooms up the back stairs of a tenement, for which you pay \$3.50 a week rent. You have eaten too much and drunken too much and worn too many good clothes—have you? The weekly expense per individual counts up to five or six dollars. That is extravagant! You should learn to live on three dollars a week, and put the other two or three in the bank, so that the gentlemen of finance may have wherewith to buy more bonds—after they have created a demand for them! Or, providentially, in emergency, to loan to your boss to pay your wages with! Until it dawns on the latter that as you can live on less, he may as well cut your wages and put the money to his own account; whereby we shall the sooner circle round again to the condition where production will stop because you have nothing left wherewith to buy back your products; and the owners of gold will once more proceed to fleece the owners of other commodities, because of the ruinous idea that there is a special virtue in gold redemption. That will be the result of economizing on food and clothes, so far as staving off panics is concerned; you may wonder somewhat what sort of an effect it is going to have on your bone and muscle, too.

And now you are hoarding! Having wasted your substance in riotous living, you are putting it in your stockings besides; and *that* causes the panic. Because if you don't furnish money to the banks, how shall they do business?

Verily, American people, you are very wonderful be-

ings! You eat your cake and you have it, too; and you naven't got it because you have it. Thus Mr. Shaw and his wisdom.

But you, poor people, you know it is all a bitter and infamous lie. Facing the cruel winter weather, with neither hoard behind you nor hope before you, and knowing well that so far from having been extravagant you have been pitifully penurious, counting the nickels and the dimes with hateful parsimony, *you* know that whatever has caused the panic, it was not your "extravagance" nor your "hoarding." *You* know that what you have been extravagant in has been the eyesight you have wasted in dimly lighted or glaringly lighted shops, the muscle you have exhausted in the long overtime stretches, the blood that has gone impure, filled with the poison of the factory air. These you have wasted ruinously, but nothing else. You have not "purchased city property on the mortgage plan," nor "coal and iron mines," nor "timbered land"; you have not "purchased high-grade stocks and bonds with borrowed money," nor "invested in railway enterprises"; your credit isn't good for that. Such dealings are all the legitimate and inevitable working of the present social organization, which you serve, but which does not serve you; which is callous to your present misery, which will permit you to die in the midst of the wealth you have helped to create.

All panics are caused ultimately by this system under which one man is forced to work for another, and gives up the whole of his product for a part; whence it must inevitably result that masses of wealth accumulate in the hands of some. The longer the process goes on, the less the mass will have, and the more the accumulators.

The specific period for precipitating a panic is deliberately determined, of malice aforethought, by those accumulators who possess the privileged commodities, gold and silver, particularly gold. The privilege which these commodities have is, that these alone may be used, or represented, as money. This privilege they obtain and maintain through GOVERNMENT, which is the tool whereby the superstitious belief of the people in the necessity of gold and silver as a means to exchange other products is made to serve the interest of those who own gold and silver.

Whenever the great dealers in money perceive that the wheels of production are beginning to clog (in this case the special cause of the clogging was probably the cold spring and the continuance of high prices in food stuffs long after nature had made amends by bountiful crops); when they observe that enforced stoppage of mills and factories is imminent, they begin to lay their plans for "gathering in the sheaves." They call in the gold, *they* hoard, *they* ruin banks, business men, manufacturers, in order that they may pick up values cheap, and mortgage future production in the same old way by getting their tool, the Government, to go in debt to them in the people's name, and pay them interest out of the people's pocket. Thus we, who were not alive in the time of the civil war, were bound to a debt ere we were born, and have gone on paying for dead men's quarrels year after year; and so our unborn descendants are mortgaged now to pay for our stupidities.

Mr. Cortelyou and Mr. Roosevelt have settled the difficulty in the time-honored way, by putting us in debt; and Mr. Morgan has released his gold till—the next time.

Men and women who work (when you are allowed to), whose purpose in life would of preference be to make good, honest, useful products, which shall go to build up life, and in return for which you desire to enjoy the like services of others, *there never can be any solution to the panic problem until you cease to produce for any employer's profit, and organize production for use only.* When you once understand that that is the real object of production, and set about organizing your efforts to that end, you will find yourself face to face with the Landlord, who prevents you from using the earth, the Lendlord who insists that you use his money to effect your exchanges, and the Machinery Lord, who insists that you shall not use his machines unless you turn over your finished product to him, after he has apportioned you a small part of their value. All three have behind them, as the basis of their claims, the Law, and to uphold the Law the policeman's club and revolver, and, if necessary, the whole military force. Were it not for these, you would undoubtedly set to work in fields, mines, quarries, claybeds, etc., to produce the materials of food and shelter for yourselves; work over raw products in the

factories with the aid of the machines, which without you to operate them must rust and spoil, into stuffs for making life convenient, comfortable, and beautiful; and exchange these with or without money, but certainly without a specially restricted money representing only one form of wealth. Until you do this, there is no hope of relief from your condition of dependence, which with each recurring crisis must certainly become worse and worse.

Yet it is equally sure that if you do resolve upon a general taking over of the sources of wealth; if some fine day you wish to walk into the mines and factories and set the wheels going for the purpose of producing goods for your own use, instead of for your employer, nothing is surer than that you will be met by the powers of government, and forbidden at the point of the bayonet to do so. If then you shall still believe that Government is a necessary and a righteous thing, you will quietly retire with Christian submission and face your deepening, irremediable misery, with the meek virtues of a slave. But if you see, as you should, that government is in that hour what it is now and always has been, in all its forms, an organization of armed force for the purpose of perpetuating slavery and maintaining slave-holders in their possessions, then you will assert your right to be free men:—to work the earth; to make use of the great machinery which social effort has created and which by social effort alone can be operated; to exchange the results of your work in any manner convenient to yourselves, whether directly or by means of notes issued by the producing group, representing the hours of labor expended thereon, or in any way you may find fair. Short of this, you cannot be free people. If you so declare yourselves in the face of governmental force, you may win your freedom as slaves have won their freedom until now.

Whether the winning shall come dear or cheap, will depend on how thoroughly the whole mass of the working people shall realize their condition and be penetrated with the desire for freedom. If the army, the militia, and the police, composed in the main also of the poor, shall have been awakened to their own miserable situation, and have become sensible of the despicable "service" that they do as the watchdogs of Landlords, Bankers, and

Employers, then when the day of the declaration of social freedom dawns, great numbers will go over to you and help you to maintain the Declaration of Independence; it is even possible that the disintegration of governmental force may be such as to give you a bloodless victory. But peaceful or otherwise, that victory must be won before there can be plenty, security, and liberty for man.

Individually you can do nothing to better and assure your circumstances so long as the present system continues, unless you do it by joining in the robbery of those who cannot do so. But acting in concert, animated by like spirit and full understanding, you may move directly and solidly towards it. Realizing that neither increase in wages nor decrease in hours of work are sufficient to make you free men, you will alter the present purposes of your unions. You will make them the nuclei for the producing groups of the future, their federative bodies the bureaus of exchange; their business will be to ascertain the kind and amount of needs, to supply those needs, to store, handle and distribute the goods. Meanwhile they are the rallying points in the existing struggle which will know no halt till freedom be conquered.

Fix your eyes on that, and move directly toward that. Never listen to any siren song about winning the powers of government first; government will make of your representative what it has made of every one else in its service, its hireling, its time-server. Delegate no powers to any one; take the earth and its wealth directly, yourselves, as soon as you are strong in will and unity.

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