

CHAPTER XI.

THE POSITIONS OF SOCIALISM.

SOCIALISM is one of those indefinite terms under which many theories, differing from each other at many points but united by a common idea, are comprehended. "The societies," writes Mr W. R. Greg, "have assumed every possible variety of form. We have had republican societies like Plato's, Fourier's, and Babœuf's; hierarchical and aristocratic like Simon's; theocratic like the Essenes; despotic like that of the old Peruvians, and that of the Jesuits in Paraguay; polygamists like the Mormons. Some have been based on purely material principles like Mr Owen's; some have been profoundly spiritual and religious like the Moravians; some maintain the family arrangements, some altogether merge them; some recommend celibacy as the Essenes, some enforce it as the Shakers. Some, like the Owenites, relax the marriage tie; some, like the Harmonists, control

it; some, like the Moravians, hold it sacred and indissoluble; others again, like Plato and the Anabaptists of Munster, advocate a community of women. Some would divide the wealth of the society equally among all the members; some, as Fourier, unequally. But one great idea pervades them all—community of property, more or less complete and unreserved. Common labour for the common good.”¹

Modern socialism—that with which we are now concerned—includes this idea but adds to it, and only in the addition do we find its distinctive platform. There are points at which it appeals to thoughtful and earnest minds. It interprets an ideal of life which interests those who are in sympathy with the spiritual-social sides of Christianity. It interprets an ideal of Government which some who long for a more rapid initiative, and a more effectual action for the public weal, are disposed to hail. It interprets an economic ideal in which not only labour leagues and leaders discern social salvation, but which attracts the attention of many who regard political economy, as hitherto expounded, as “the dismal science.” Thus it attracts many, who have yet no fellowship with its ulterior aims, with some of

¹ Mistaken Aims and Unattainable Ideals of the Artizan Class, pp. 192, 193.

its cardinal principles, and with the methods by which it proposes to apply its principles and carry out its aims.

The late Bishop of Durham, Dr Westcott, is an illustration. To him the attraction was the theory of life. Individualism denotes competition; the method of socialism is co-operation. The one looks on man as working against man for private gain; the other looks on man as working with man for a common end. The one aims at the attainment of some personal advantage either of place or of fame; the other aims at the fulfilment of service. Hence the preference of the saintly bishop. He protested against the idea of "humanity as made up of disconnected or jarring atoms"; he looked on humanity "as an organic whole, a vital unity formed by the combination of contributory members mutually interdependent." The economic aspect of socialism he let alone; the humanitarian aspect which it incorporates secured his suffrage.¹ And in this he exemplifies the attitude assumed by a large number of earnest minds which are permeated by the Christian law of ministry, binding men by love to serve one another. But the system or the variety of systems that we differentiate as socialistic is political and economical. The ques-

¹ The Incarnation and Common Life.

tion to which it supplies an answer is, How by State or collective organisation may this law of ministry be rendered binding on men and universal? how is competition to be abolished? and how, by the supremacy of co-operation, are the evils ascribed to competition to be eradicated?

The expositions of this answer are numerous. Some are so vague that for the purpose of definition they are useless; some are so loose that they are not self-consistent. Of this sort are such statements as that socialism means nothing else than "the betterment of society";¹ or, again, that it means "every tendency which demands any kind of subordination of the individual will to the community."² These, and many similar statements, explain nothing. They do not announce the characteristic positions of socialism. To ascertain them, we must turn to more fully formulated and authoritative pronouncements; and we may select Dr Schäffle in his 'Quintessence of Socialism' as perhaps the most moderate and "business-like" of all. The book has this feature, that, whilst it clearly indicates the lines of the proposed action, and is sympathetic with them, it is fully aware of the difficulties attend-

¹ Kaufman, in 'Subjects of the Day,' No. 2.

² Held, Sozialismus, &c., p. 29.

ing their adoption. In a later work, the author declares the socialistic democracy impossible.¹

"The Alpha and Omega of socialism," Dr Schäffle asserts, "is the transformation of private and competing capitals into a united collective capital."² The goal contemplated is, "No capitalists and no wage-earners, but all alike producers"; for, "instead of the system of private and competing capitals which drive down wages by competition, there shall be a collective ownership of capital, public organisation of labour and of the distribution of the national income."³ "The State is to collect, warehouse, and transport all products, and finally to distribute them to individuals in proportion to the registered

¹ "The freedom of the individual would lose in a degree which democracy would by no means tolerate. Popular government very easily degenerates into mob-rule, and this is always more favourable to the common and the insignificant than to the noble and distinguished. Hence democratic Collectivism itself would be likely to wound in a high degree the most sensitive self-respect, without leaving as much freedom as does the present system of private service in the choice of employment and employer, or of a place of abode. Its only equality would be that no one was in anywise independent, but all slaves of the majority, and on this point again democratic Collectivism would come to grief and utterly fail to keep the promises it makes to the better class of working men whose self-respect is injured by the existing state of things."—*The Impossibility of Social Democracy*, p. 95.

² Quintessence, p. 20 (English translation).

³ *Ibid.*, p. 28.

amount of social labour, and according to a valuation of commodities exactly corresponding to their average cost of production."¹ "All incomes are equally to represent a share in the national produce allotted directly by the community in proportion to the work done—that is, exclusive returns to labour."² This is set forth as the quintessence. We are called to set aside all other issues, other points which are often tagged into theories; and, as the one vital matter, to fasten on the abolition of private ownership of all instruments of production (land, factories, machines, tools, &c.), so that all producers will individually be no more than workmen, working with the instruments of production common to all."³

Thus far Dr Schäffle. With his view popular representations coincide. The programme of socialism is explained in a leaflet of the Fabian Society to "consist essentially of one demand, that the land and other instruments of production shall be the common property of the people, and shall be used and governed by the people for the people." For this, as "his fundamental principle," to be carried to "its utmost limits," Karl Marx contended. Individual landowners and capitalists of every sort are to be expro-

¹ Quintessence, p. 45.

² *Ibid.*, p. 9.

³ *Ibid.*, pp. 7, 8.

priated, and the whole means of the nation are to be held by the community, in order that distribution according to need or labour may be made to all labourers. No profits and no wages, for all are to be sharers in a common good. No masters and no servants, for all are to be servants of the one master, the community, getting the full value of their labour in production. Rewards may be given to special intelligence or service; but the honoraria are to be determined by the community. The State—that is, “the proletariat itself organised as a governing body”—is to be the one and only proprietor, the one and only capitalist, the one and only paymaster; the possessor and distributor of the entire wealth; the universal providence as well as executive. Such is the new economy whose triumph is the hope, the “Christ that is to be,” of Socialism.

To the economic constitution of society, then, we must address ourselves. There are many beautiful and interesting aspects in the environment of socialism, and generous or ardent natures, interested by these aspects, are apt to extend their sympathies to the system itself. But in order to know what it is, what it proposes, whither it leads, we must concentrate attention on the economic aspect. If it pro-

poses to bring in a millennium for the toiling millions, it proposes to do this by a revolution in respect of the fundamental conceptions and constitutive principles of society; and the canons and aims of this revolution it is necessary to sift. It would take us too far afield to criticise all the positions that are taken. But some of the difficulties that compel an attitude of scepticism, and sometimes of opposition, it seems incumbent to state.

I.

“The labour question,” writes Professor Flint, “is the distinctively burning question of the Europe of to-day, as the religious question was of the Europe of the Reformation period, or the political question of the Europe of the Revolution epoch.”¹ Now, it is on the relation of labour to wealth, on the rights of the labourer, on the organisation of labour, that socialism lays stress. It is essentially a scheme to make labour the one, the all-dominating fact—the measure of all value, the reference of all government, the basis of the entire social structure.

The fundamental principle of the structure

¹ Socialism, p. 104.

which it would rear is the assertion of Adam Smith, Ricardo, and other economists, that "labour is the source of all wealth"—one of those assertions which, when duly guarded and balanced, express a truth, but which, when not thus balanced, are misleading and become untrue. Exception may be taken to the phraseology. However regarded, labour is rather the *conditio sine quâ non* than the source of wealth. It does not originate; it operates on material supplied or available, and, utilising this material, realises a value. Without labour, there cannot be possession; but possession would be impossible unless, independently of labour, there were a substance to be converted into use. We command nature by obeying it. No force benefits us unless we serve it; and such service or obedience, through the exercise of patience, skill, industry, is the condition of appropriating—not of creating—the wealth. As thus understood, it is in a sense true that there is no actual value without labour. But when we say this, it must be remembered that the term labour includes many kinds of service—includes, indeed, all volitions, all acts of thought, all forth-putting of energy, all that brain and hand find to do. Now, it is here that we discern the socialistic misuse of the formula. The formula is practi-

cally limited to one species of labour—manual. Marx looks on that as “the one uniform labour power”¹ which makes value. Instead of comprehending the total of labourers, intellectual as well as industrial, only the industrial are in the purview, and the changes are ever rung on the note that their toil towards production is the sole source of all the wealth in production. This is utterly erroneous. The labourer cannot produce without his instruments, without the machinery by means of which he acts. But the instruments, the machinery, represent money which the labourer has not; they also imply research, knowledge, inventive genius in which the labourer has no share. Moreover, the plan which the labourer works out, the conduct of the business with which he is associated, the finding of the market for goods produced, the manifold dealing with commodities so that they may be exchanged, all that makes the work successful and profitable,—these are essential to the wealth, and have a right to be reckoned as contributing to it.

To measure value by manual toil, to place this toil in the seat of authority, is surely to contract the horizons of life, and to set up an

¹ Capital, p. 12. “For simplicity's sake we shall henceforth account every kind of labour to be unskilled, simple labour.”

irrational touchstone of worth. But what is the test imposed by Marx? He takes "simple, unskilled labour as the standard of all labour." And he adds, "The value of the most skilled work, by equating it to the product of simple, unskilled labour, represents a definite quantity of the latter alone."¹ Is this tenable? Is it not absurd, all but incomprehensible? Quantity of labour supreme over quality of labour! There is no equation by which the worth of a sculptor's work can be equalised to the product of a hodman's. The ten hours of the hodman and the ten hours of the sculptor are the same in respect of duration, but they are utterly different in respect of the kind of work done, of the amount of intellectual, artistic, emotional brain-effort put into them; and yet we are told that the value of the sculptor's work represents a definite quantity of the hodman's. "As values"—such is the generalisation—"all commodities are only definite masses of congealed labour-time."² Over its theories of value, and the determinants of value, socialism becomes confused: it is frequently befogged; and, in magnifying manual labour, it belittles other forms of service. Even Dr Schäffle describes "judges, administrative officials, teachers, artists,

¹ Capital, vol. i. p. 12.

² Capital, pp. 5, 6.

scientific investigators," as yielding services of general utility, but, inasmuch as "they are not employed in the social circulation of material," they are regarded as "not immediately productive workers." And he would assign them a share in the commodities produced by the national labour "proportioned only to the time spent by them in useful work."¹ This labour-time is the exclusive reference: the labour which produces material commodities is emphasised as the only source of the national wealth. To many, this apprehension must appear narrow, unjust, even false.

The sceptical attitude assumed towards it may be extended to the demand of socialism, that "the labourer is entitled to the whole produce of his labour." Those who make this demand are by no means agreed as to details. It is one thing in the mouth of a Russian nihilist, another thing in the mouth of a French peasant-proprietor, another thing still in the mouth of the English socialist. Let us appeal to Karl Marx as the most consistent and thorough expounder of its significance. Value, he insists, is created by the power of labour. The possessor of this power—*i.e.*, the labourer—sells it as a commodity at so much per day. This is his day's wage. But in

¹ Quintessence, pp. 8, 9.

his toil through the working day he creates a value far in excess of that which he receives—a surplus value which is appropriated by the capitalist. The contention is that he is entitled to the whole value—the surplus as well as the wage. There are subtleties in the argument on the subject of value on which it is unnecessary to dwell. It is sufficient to recall the point already referred to, that, in the view of the socialistic economist, value is essentially time of labour, with two conditions annexed: one, that the article produced must be socially useful; and the other, that the time whose entire produce the workman is to receive must be limited by his capacity of endurance, and by the consideration of the necessities of rest and leisure in order that body and mind may be sustained in full vigour. Making allowance for these requirements, it is maintained that the entire result of the whole day's toil—not the wage only, but the surplus which now goes to the employer—is rightfully the labourer's. And in so far as he is not obtaining it, he is held to be robbed by society.¹

Now, in all the reasoning by which this is enforced, we observe the confusion previously

¹ The latter parts of vol. i. and vol. ii. of 'Capital' elaborate the position stated.

traced. In the production of exchangeable or of useful things, is the labourer to be regarded as only the person who receives the wage, whose time is purchased for the production? A capitalist is generally regarded as one who advances money and awaits the receipt of "usury" or of interest for the money; but, as has been shown, he may be, and very often is, the hardest labourer of all—designing patterns or plans, financing, watching, and taking advantage of changes in style, fashion, or in processes of industry, conducting a business larger or smaller. He may have too much—that is another matter; but is he not also a labourer entitled to the value which his time and energy create? The reply of course will be, that the individual capitalist, as distinguished from the individual labourer, is to be abolished; that there are to be no wages and no profits, since all are to be sharers in the total profit, each according to his labour. But, under any conceivable arrangement, must there not be some party holding the two halves of the scissors? some agency—indeed a vastly multiplied agency—to guide, to inspect, to order, to keep books, to be captains, lieutenants, scribes of industry? The time of this agency is not making production of commodities, but it has its value. Those employed in it are not "labourers" in the restricted

acceptation of the term, but they must be paid for their service, and for this payment deductions must be made from the labourer's produce, in contravention of the principle that the labourer is entitled to the total produce of his labour. Further, if there is no single production that does not involve the labour of many workers, and workers of many sorts, how is this variety of service essential to the value of any commodity to be recognised? If in the measure in which industry is skilled, no particular product can be regarded as the result of the toil of one workman, how is it possible to fix what is the whole produce to which every labourer is entitled? The claim is beset with difficulties. A Fabian essayist has endeavoured to cut the knot by saying that "the only truly socialistic scheme will absolutely abolish all economic distinctions, and establish the impossibility of their again arising, by making an equal provision for the maintenance of all an indefeasible condition of citizenship without any regard whatever to the relative specific services of different citizens." Then, it may safely be said that "the only truly socialistic scheme" attempts the impossible; and that if, in its idea and aim, socialism is interpreted by such a scheme, the part which it prescribes for itself is a constant ploughing of the sands.

That the labourer has an absolute right to all the produce of his labour is not evident, unless by the labourer is understood every one who by brain, intelligence, money, or manual service contributes to the result. But we can all urge that the labourer, in the restricted acceptation of the term, is entitled to an equitable proportion. It is the business of the State to see that the conditions of contracting for his labour are righteous, to protect him against being defrauded, to put him in the way of realising a fair value for himself, whilst he is creating value for society. Where the intervention of the State is required to free industry, or to guard the workman and give him full play for his energy and for larger amounts of happiness, there is the call for the application of its powers. But every demand needs to be carefully scrutinised, and, in the interests both of the individual and of the community, doubtful claims need to be challenged.

II.

The grudge of the more advanced expressions of socialism against property in land is keen and bitter. "Private property is theft," said Proudhon; and his saying is one of the funda-

mental principles of the new economy. The land, with all its potentialities, is held to belong to the people. Nothing, it is urged, can be called property that is not the fruit of labour; and land is not the fruit of labour, but the gift of God intended for all alike.¹ No person, therefore, has a right to the exclusive tenure of any portion of it. "To the landed estates of the Duke of Westminster," exclaimed Mr George, "the poorest child that is born in London to-day has as much right as his eldest son."²

Now, with regard to this contention two points may be made. First, is the distinction between land and other material—viz., that the one is God's gift to all, and consequently is not to be called property; and the other, being the fruit of labour, is not gift but property—justified by common-sense? The soil, indeed, is a gift of the Creator to man. But the same may be said of all on which man operates; and the condition on which the soil becomes a source of wealth is identical with that on which anything else becomes a source of wealth—that is, the labour of man. The Indian tribes which roamed

¹ This is the contention of Henry George in 'Progress and Poverty.'

² Quoted in 'Contemporary Socialism,' p. 489.

through the forests of America, and the Australian aborigines who reared their rude tents in the bush, saw the land, trode it, slept on it; but it yielded them no wealth, except that which was realised by produce on which they bestowed no labour, and by the use of bow and arrow. There was no value in it for them, because the gift of God did not, by labour, become property. If labour is essential to the utilisation of the gift, then, accepting the definition given, the question of property in land comes immediately into view. No abstract conception of the land as belonging to all alike can bar the right to possess the fruits of the portion of land which one man or one family cultivates. But, second, in respect of this right, does not the Christian ethicist maintain that no one has an absolute and unchallengeable tenure of any good? Property has been defined as "the right to use and to abuse."¹ "A claim," observes Herbert Spencer, "to private property in land involves a landowning despotism." And the case he puts is, "It would be proper for the sole proprietor of any kingdom—a Jersey or Guernsey, for example—to impose just what regulations he might choose on its inhabitants, to tell them that they should not live on his

¹ M. Proudhon.

property unless they professed a certain religion, spoke a particular language, paid him a specified reverence, adopted an authorised dress, and conformed to all other conditions he might see fit to make.”¹ Now, there is no need to deal with an assertion so extravagant. It is not within the range of practical politics. But one who looks forth on society in the mind of Christ rejects the idea of an “unlimited despotism.” He holds that any and every tenure are from the righteous God, and that to Him and His righteousness all are responsible for its occupancy. None have such a right to it as to have the right to abuse it. If a landlord abuses his possession, if, under his custody, it becomes a loss instead of a gain to the nation, he is guilty of a malversation for which he must answer to the Judge of all the earth, and of a wrong to society for which society may call him to account. Rights are balanced by duties; they cease, in moral equity at least, to be rights when the duties are neglected, and beyond a certain point—that at which flagrant derelictions and injustices can be proved—the nation, through its executive, the State, may and should demand a reckoning. Parliament has restricted the “despotism” of the landlord,

¹ Social Statics, chap. ix.

so that his supposed rights may not interfere with public utilities.

When we inquire into socialistic schemes as to the land, we find a variety, even a conflict, of ideas. Some would abolish both ownership and occupation, and leave the cultivation of the soil to local communes. Some would infest all citizens into occupation, and oblige the able-bodied to work in the production of the fruits of the earth. Some would parochialise all the land of the nation, "so that there shall be no more nor other landlords in the whole country than the parishes, and each of them be sovereign landlord in its own territory."¹ Some — and these the theories which are in vogue — would nationalise all the land and make the State the sole landlord. From all such proposals the plan, urged with great eloquence by Mr George, but now discarded, differs, in that, whilst abolishing individual ownership, it allowed individual occupancy, and, in lieu of rent to the owner, it substituted the whole burden of taxation. His "simple yet sovereign remedy was to appropriate rent by taxation."² Diverse, however, as the remedies for the alleged existing injustice

¹ Lecture of Thomas Spence, with introduction by H. M. Hyndman. London, 1882.

² Progress and Poverty, p. 288.

are, the conception which underlies all is that the land is "the inalienable birthright of every person born on it," that of this birthright millions are deprived, and that the land-laws need to be thoroughly reformed in the interests of the whole nation—the proprietor-class abolished, rents in their present form swept away, and all land worked on the principle of co-operation, each worker receiving according to his labour-time.

Now, behind all the inflated language of orator and essayist in support of this thesis there is a truth. Originally, and theoretically still, the State—the tribe or nation in its official representative—is the first owner of the land. In earlier times, it gave estates to persons on condition of the discharge of feudal offices and obligations. When the offices and obligations ceased, the estates remained. No one will assert that ownership of land in this country is an ideal system. But three positions may be maintained. First, that there is no absolute injustice in the confirmation by the State of the title of an individual to reap the benefits of his expenditure and diligence on a portion of the soil. All cannot have an equal right to every portion of the land; there must be limitation, and the limitation protected by law is really property. Second, that

this limitation or individualising of property is, and has always been, an accompaniment of civilisation. In the far past, there was a collective ownership, and the soil was poorly cultivated. The expansion of agriculture was introduced by allocations of land to individuals, giving them scope for energy and enterprise. And, third, that with reference to the existing order, the ramifications of property are so wide and intricate, social life is in so many ways mixed up with it, it touches such a variety of interests at so many points, that wise men cannot but shrink from such drastic measures as socialism proposes. There are other processes which may be trusted for the rectification of much that is socially hurtful. The legal transference of land has been greatly facilitated; the effect of primogeniture has been greatly modified; and last, not least, the accumulation of burdens on estates whose reduced rentals cannot bear it, the pressures of population making the breaking up of parks, policies, and estates both profitable for the owner and necessary for the community,—these drifts and tendencies are, with ever-accelerating speed, distributing the possession of the soil over widening areas of population. It is better, surely, to rely on an inevitable development of influences actively at work, than to contemplate spoliations which can

be made effectual only through fierce conflict and social revolution.

Many theories that catch the ear of multitudes break down when their practicability is considered. It is so with socialistic theories as to the nationalisation of land. To begin with, the soil represents only a limited territory, and, however greatly they may be increased, limited capacities of production. The arable acreage is constantly shrinking in extent, in consequence of the growth and diffusion of the urban population, and the spread of industries of many kinds. Allowing for the utilisation of policies around castles and mansions, and of deer-forests (many of which must always remain barren), there is not, and cannot be, a competence of support for more than fractions of the landless millions. Then, to provide for these fractions, how is the State or the local community to acquire the land? Are the individual owners to receive compensation, or are their estates to be confiscated? Dr Schäffle would compensate, but the compensation must be in the form of consumable goods, bestowed for a period longer or shorter.¹ What goods? In what proportion to land-values? If a fair price in current money may be given, how enormous would be the amount required! In order to pay the debt

¹ Quintessence of Socialism, p. 32.

thus contracted, to meet taxation, cost of cultivation, superintendence, &c., what vast sums would require to be raised! The burden would be heavier than any existing rents. But it is confiscation, not compensation or purchase, that is aimed at. J. S. Mill proposed that only "the portion of the future increase of rent not due to the expenditure of labour and capital on the soil should be intercepted."¹ This will not satisfy. The landlord is to be expropriated. The socialised State is to take the rent, the whole rent, the land and all its value. And, in doing so, the claim is that there is no robbery of persons, that the nation is only reclaiming its own for national use. How, finally, is the omnipotent State to distribute the wealth in land so that by labour it may be realised? It cannot give new possessions; it cannot allow any one to say of even a few acres, "These are mine"; for, small landlordisms as well as great are an offence against the fundamental principle. Are there to be farms, and these to be let by auction as some suggest? But this means competition, and competition is to be eliminated. Is the farming to be conducted in the name of the community — overseers, book-keepers, stewards, and others necessary to the carrying on of business to be remunerated out of the gains? But

¹ Quoted in 'Contemporary Socialism,' p. 491.

what, then, of the right of the labourer to the whole of his produce? According to any method, the practical difficulties are formidable; and, whatever the method that may be adopted, a huge State machinery is necessitated, offering huge opportunities for all the evils of a widespread officialism. Joseph, we are told, bought up the soil of Egypt for Pharaoh, so that the people were reduced to a state of servitude. If the socialist programme could be carried out, is it not possible that a Pharaoh might be summoned into existence, all the more oppressive because the despotism is that of democracy?

III.

It is with capital—meaning by this the wealth that is bestowed on production, as distinguished from that which is spent on consumable goods or on self—that the quarrel of the socialist is most intense. He is the champion of labour as against capital. That there should be an *against*, that there should be antagonism between the two economic factors, each of which is essential to the other, is to be deeply deplored. Many who cannot accept the positions of socialism recognise in the socialistic trend of feeling

a revolt against the selfishness that capitalists have too often manifested. But reason must keep a naturally aroused protest in hand, and some reflections bid us think, not once or twice but oftener still, before we commit ourselves to the extreme views that are persistently advocated.

In the first place, there are capitalists and capitalists. If cases of heartless indifference to "hands" can be cited, other instances of just dealing, of actions that prove a genuine desire to promote the wellbeing of workmen and their families, can also be cited. Under any system, however perfect, there will be grasping and greed. Is it supposed that these will disappear in the working-class State? Some who are always beholding and denouncing the mote in the capitalist's eye may well ask if there is no beam in their own eye.

Further, all capitalists are not millionaires. The catch-cry of demagogues is that society consists of a few millionaires and a multitude of beggars.¹ There are too many beggars; but will any sane person, looking around, maintain that, apart from those who have great wealth, the noticeable thing is beggary? There are millionaires; possibly—few though they may be

¹ So Marx in his 'Das Kapital.'

relatively—there are too many. But, as compared with the mass of capitalists, they form a very small percentage. They are on the highest summits of an indefinitely graded system, summits which, for the most part, they gained, not by mere luck, but by the strenuous application of remarkable powers, illustrating in a conspicuous manner the qualities that can ensure competencies for many of all sorts and conditions. But every person who has any money, however small the sum, which he invests in, or utilises for, business; the smallest master—the one, say, who can buy some tools and leather and cobble shoes in his own house, or the jobbing gardener who buys his boe and rake and barrows that he may dress gardens, or the widow who invests in some toys and confections with a view to sale—is a capitalist. The possibility of using the little as well as the much for production, and the freedom to develop all the ingenuity and improve all the opportunity of the individual, have been hitherto accepted as among the things to be contemplated towards the promotion of the greater happiness of the greater number.

Increase of opportunity for the labourer is the desideratum. An exploited person is one who works for an end in whose good he has no part. The exploitation of the worker is reduced in the

measure in which facilities are provided for giving him a share beyond the mere living wage in the fruits of production, and associating him with the business which he serves. Undoubtedly, there are difficulties in the way of realising such facilities. Payment of labour by means of shares that shall represent the value of the labour, with a percentage proportioned to personal merit and to the success of the firm, is advocated by many who do not accept the socialists' platform. And there is much to be said in its favour. It has been to some extent tried and not found wanting in America. Bonuses, regulated in amount by the prosperity of the trade, by the output and profit of the works, have been set apart for the labourer, making him thus a partner in the prosperity. It should not pass the wit of man to discover methods by which this system might be extended. Still, it must be recollected that there are fluctuations in every department of production; there are acute crises; there are years in which an industry is carried on at a loss, instead of a gain. It is only the command of money that in these circumstances enables the capitalist to keep his machinery in operation, and to wait in the hope of a brighter day. The worker who has no money cannot afford to wait. The fair day's wage is his security, and the expectation of percentages,

in addition to the wage, might give rise to pressures and frictions that would be disastrous in periods when trade was depressed and profits were nil.

What is needed above all things is straight open dealing between master and men. It is the want of this frankness that has been the occasion of much of the heart-burning that feeds socialistic agitation. In seasons of brisk and profitable trade, employers have not, in advance of all solicitation, taken the labourer into account and accorded him a larger measure of good as his due. Business, we are told, is business; the law of supply and demand, in wages as in all commodities, works automatically, and there must be no interference with it. But, to distribute the wealth which great turns-over secure, so that all may have a portion, is no interference with this law; it only marks obedience to the law which should be supreme in a Christian community—the law of justice. “As ye would that men should do to you do ye also to them likewise.”

The rapid development of industries has new-made the conditions of social life, and has introduced features that are changing the relations between the chiefs and the rank and file of the industrial army. The personal element is a

diminishing quantity. Formerly, the chiefs were individuals by whose direct initiative and under whose immediate control all was begun, continued, and ended, and who, when they were high-minded and generous, took an interest in their workers and their families, and recognised their responsibility for the good of their people. This is disappearing. Firms are converted into trusts or limited liability companies; syndicates rule markets; and trusts, companies, syndicates, as such, have no conscience, sympathy, or responsibility. All with which they intromit relates to business alone. The human is sacrificed to the commercial. In the factory or workshop, there is the *boss*, and there is the *hand*; in the counting-house there is the manager or director. And one result of the trades-union is a further elimination of the personal. Wages are fixed by collective rather than individual contract. The union prescribes the number of apprentices, marks off the domain within which its members must work and the amount of work to be done; in various ways limiting production. It has as its last word the strike; and, consequent on the strike, the picketing and boycotting of non-union men. Economists assert that, in its action and in its results, the union is mischievous. We do not

need to discuss the matter, for, the union is; and it has come to stay. Whether or not it prevents the easy adjustment of the balance of supply and demand, it has, beyond doubt, materially altered the industrial situation. Two things only may be urged. The one is, that if it would enlist the full sympathy and gain the full confidence of the community, it must not cross the frontier between a compact discipline and a tyranny of terror. And the other is, that whilst class unions may be needful, the aim of both employers and employed should be to avert conflict by taking occasion by the hand. The deplorable, disastrous, strike should be all but impossible. Surely there is a more excellent way of arbitration, in the event of dispute or misunderstanding, by which causes of antagonism may be removed.

But there is only one way, the socialist interjects. The evils of capitalism, whether its representatives be the individual plutocrat or the trust, cannot be mended. The only cure is to end the capitalist. The capital means rent, interest, or usury, and these are banned. The capitalist, above all things, means competition, and competition is stigmatised as "one of the curses of civilisation which must

be got rid of before substantial progress is possible.”¹

What, then, is to be substituted for this curse of civilisation, which is inseparable from capitalism? and how is the substitute to be made effective as a remedy for existing miseries and injustices?

Emulation is presented as the substitute. In the words of Professor Lodge, emulation is “the aspiration of a soldier to lead a forlorn-hope, the desire of a student to make a discovery, the ambition of a merchant to develop a new country or establish a new route. Competition is the snarling of dogs over the same bone. Emulation is the desire to do a thing better than it has been done by others. Competition is the desire to do instead of others that which is equally well done by them.”² There is much that appeals to soul and conscience in this contrast. The constant struggle of one man to outbid another is tiresome, often revolting. It is responsible for wares “cheap and nasty,” for tricks and dishonesties in trade, for lying advertisements, for sweaters’ dens, for scamped work. It thrusts the old aside and ruthlessly bids the more unfit drop behind. It

¹ Liverpool Fabian Tracts, No. 3

² *Ibid.*

tends "to divert energies into useless channels and to degrade the character, while for the unsuccessful it makes life impossible, and for the average man it makes life a severe strain."¹ To displace this hydra by a nobler spring of action is a worthy aim.

But we must be sure of our ground; we must look at human nature as it is, and at the facts of life as they are. The picture of Professor Lodge is too roseate. The line between emulation and competition is a thin line. Emulation denotes the heroic; but the heroic is far from being prevalent. Soldiers do aspire to lead forlorn-hopes, but all soldiers do not; and the average soldier, whilst doing his duty, is not insensible to personal distinctions. Students do desire to make discoveries for the promotion of science and the good of humanity; but the average student is by no means indifferent to success in the prizes of the career he has selected. Merchants have occasionally the ambition to develop a new country or establish a new route, but the average merchant contemplates a market for goods and a personal gain. The feathers of emulation may be of yellow gold, but they are always dipping into the pots of competition. For, indeed, self-love

¹ Liverpool Fabian Tracts, No. 3.

is a strong and persistent force in the nature of man. The altruism which denies and represses it, marks an effort to

“wind ourselves too high
For mortal man beneath the sky.”

Self-love cannot, and should not, be scouted as if it were an unclean thing. It should be controlled and balanced by an unselfish love—the love of the neighbour as the love of the self. No matter what the circumstances may be, the danger of self-pushing—in other words, of competition—will appear. Is it to be supposed that there would be no pushing, no competition, in a working-class State and community? The old Adam will prove too strong for any young Melanchthon.

There is no good around which evils do not grow. We must set the good against the evils, and, in following the one, take the risk of the others. Liberty, scope for individual energy, is a good not to be bartered away for a universal servitude. We must look to pressures of public sentiment, to the spread of enlightenment, to better organisation, to the power of religion, to detach labour from the excesses and extravagances of unhealthy competitions.

Now, the method by which it is proposed to

give effect to the emulative rather than the competitive element is co-operation; and this is a word which signifies a great Christian principle.

We have seen that on this principle the Church of Christ is built up. That we are members one of another, that each member is bound to care for the others, that the social organism is in its entirety to minister to every constituent, and that every constituent is to supply vital force to the organism, are postulates of Christianity. There is, therefore, a welcome waiting for the extension of the idea of co-operation—an idea with which is connected the harmonious development of happy and healthy life.

Social co-operation has two sides—production and distribution. The data relating to the one side are not sufficient to warrant generalisations; for, whilst experiments—some successful and some unsuccessful—have been made, they have been as yet on a very limited scale. But, in distribution, the success has been conspicuous. In 1862, the sales of co-operative societies in the United Kingdom did not amount to two and a half millions sterling; in 1900, they amounted to more than seventy-seven millions sterling, and the profits, by which nearly two millions of members were benefited, were between eight and nine

millions sterling.¹ Here there is "an automatic system of self-help" which commends itself to the favour of all who desire to uplift the poor and oppressed. Let it be remembered that the results recorded have been accomplished by voluntary effort. The societies have won their victory by competition, by the good work they have done, by the good commodities which they have sold, by the steady growth of confidence in their objects and in their management. Their expansion illustrates the possibilities of a vigorous social collectivism, which, without attempting to repress competition, offers a higher mark and level, and, through the development of opinion

¹ The report submitted to the Co-operative Congress at Middleborough on May 27 is most satisfactory, as is evident from the figures presented. In 1899 the number of members in Great Britain and Ireland was 1,729,976; in 1900 it was 1,827,653. In the 'Spectator' of June 1 it is said: "A satisfactory state of affairs prevails in the productive societies, though room for expansion exists in this department. The report on co-operative agriculture is less satisfactory, as, from various causes, the agriculturists of the country seem to be much slower to recognise the benefits of co-operative action than are those in Ireland. The figures with regard to co-operative credit banks, again, show that Ireland leads the way with a membership of 2943 and a capital of £5679, as against a membership of 1330 and a capital of £4859 for England and Scotland combined. It is stated, however, that the benefits of these banks, the members of which are working men and women of various occupations, are now being more and more appreciated."

in regard to it, and of facilities for realising it, restrains the excesses of the competing spirit within the channels of a healthy energy.

But socialism looks to co-operation, not as a rule voluntarily accepted and supported by the choice of free men, but as the compulsory method by which all labour is to be done, and all gain for the State and the individual unit is to be reaped. It is the agency of the one capitalist, the State, in all kinds of production — mills, factories, foundries, ironworks, coal-mines, &c. All instruments, tools, machinery, are to be the property of the collective capitalist, which shall divide to every man according as he labours. None are to compete, all are to serve. None are to be waged; for, wages imply contracts for labour, and such contracts are to be abolished. Each is to have what is allotted to him as the value of his produce. "Compulsory minima" may be supplemented by "honorific inducements," but any wealth granted must be spent only on consumable things. Is it too much to affirm that the scheme carried consistently out to its utmost limits is impossible? If it were possible, the experience of great systems which are monopolies suggests that there would be a lack in initiative, in readiness to adopt improvements involving departures from rules and ways.

that have been fixed. To all State action a "circumlocution office" is attached, and, in every department, workers accustomed to arrangements with which they are familiar might interpose obstacles to new modes and machineries; and would they not have a right to do so? How are social labours and values to be estimated? Dr Schäffle pertinently asks, "Whether the common wealth of the socialists would be able to cope with the enormous socialistic book-keeping, and to estimate correctly heterogeneous labour according to socialistic units of labour-time?"¹ And, after all, a civilisation, such as that of the twentieth century, has a wealth and a variety of which socialism takes little account, and which a proletarian State, with a vulture-like eye to material good, might omit from its purview, "reducing the colours of life in number and robbing them of their vividness." It is said that new forces will be called out and new potencies will be operative. Some, in their scepticism, may be disposed to return Hotspur's answer to the boast of Glendower—

"I can call spirits from the vasty deep."

'Why, so can I, or so can any man;

But will they come when you do call for them?'"

¹ Quintessence, p. 70.