

THE STRENGTH AND WEAKNESS OF SOCIALISM.

THE time has passed when socialism can be dismissed with curses, or threats, or sneers, or interjections of amazement. We may be greatly astonished to hear that men entertain theories so chimerical; we may think it a sufficient answer to call them cranks or lunatics; we may denounce them as freebooters and look about for forcible measures to suppress them; but none of these methods will avail. They are here; they are the natural progeny of existing industrial conditions; and they will not be exterminated by all the hard words we may fling at them, nor silenced by any amount of indifference or contempt.

There is, indeed, a class among these socialists to whom it is difficult to make any reply. The more violent wing of them, whose mouths are full of cursing and bitterness; who constantly threaten us with revolution and with rapine; who march about the streets of our cities with bands and banners, shouting that our homes are soon to be pillaged and our churches destroyed,—these crazy nihilists are not entitled to any consideration at our hands. On their rage discussion is wasted. It is idle to ask them what they mean; they tell us plainly: they mean murder and arson; they mean the destruction of the present social order, that anarchy may take its place. To such a frenzy no answer is possible. The kingdom that is based on unreason cannot be overthrown by reason. When these men begin to carry out their threats we shall know exactly what to do with them; and the business will be speedily and thoroughly done. Meantime the best thing to do is to give the utmost publicity to their movements and their outgivings. Few of their speeches and manifestoes are uttered in the English language, but they ought to be reported and translated and disseminated as widely as possible. Let the workingmen of this country hear what are the plans and the threats of these destructionists. They are able to judge for themselves whether the nihilistic programme is practicable and desirable.

It must not, however, be supposed that these miscreants are the exclusive representatives of socialism in this country. Mr. Rae, in the introductory chapter of "Contemporary Socialism," justly says that "American socialism is a mere episode of German socialism; that it is confined almost exclusively to the German population of the United States." A writ-

ter in the "North American Review," quoted by Mr. Rae, mentions the fact that the socialist vote has been increasing of late more rapidly in New York and Chicago than in Berlin, and attributes the fact to German immigration. Beyond a doubt a considerable portion of this increase consists of the more extreme and violent elements of the Social Democracy of Germany. The severe measures resorted to by the German Government, after the attempt to assassinate the Emperor, had the effect to hasten the departure of many of these rash spirits from their native land. Probably, therefore, the proportion of nihilists among the German socialists of this country at the present time is greater than among the same class in Germany. Nevertheless, in this country, as in Germany and even in Russia, the violent elements are but a small minority. What Mr. Rae says about Russian nihilism will bear pondering by Americans: "A party of violence and extreme principles can only thrive in the warmth of the countenance lent it by the less demonstrative disaffection of the more moderate members of society; and it always withers away when the latter classes are satisfied by timely concessions. Procrastination only swells instead of mitigating the revolutionary spirit, for it but prolongs the political unrest from which that spirit is thrown off. The nihilists of Russia are merely the extremer and more volatile minds who have been touched by the impact of the present upheaval. They are the spray and the foam which curls and roars on the ridge of the general political movement which has for years been rolling over Russia, and their whole real importance is borrowed from the volume and momentum of the wave that bears them up. Folly, it is said, is always weak and ridiculous till wisdom joins it; and the excesses of nihilism, if they stood alone, could not be the source of any formidable danger. But they do not stand alone; they flame out of an atmosphere overcharged with social discontent and political disaffection."*

It is not, then, the spray and the foam of these nihilistic assemblies that should engage our thought, so much as the wave that bears them on. That "less demonstrative disaffection of the more moderate members of society," which furnishes the Russian destroyers with their excuse for being, is present in Germany and in America. Among the German

* "Contemporary Socialism," pages 316, 317.

immigrants are many socialists of the more rational as well as of the more violent type; and the theories of Rodbertus, and Winkelblech, and Karl Marx, and Ferdinand Lassalle have been transplanted to our soil. About the roots of these exotics not a few Americans have been digging somewhat cautiously; the feeling that something is fundamentally wrong with the present organization of society is entertained by many thoughtful and humane persons; and the books that expound the socialistic philosophy have been widely read, by some for the sake of controversy and by some for the sake of information.

There is, therefore, in this country at the present time a considerable number of persons who have some knowledge of the various schemes for the reorganization of the social and industrial order, and not a few who expect these schemes to be realized. These persons are by no means all lunatics. Their hopes for the future of society may seem vague, but there are those among them who are ready to give you a reason for their hopes. They have studied history. They are familiar with the theories of political economy. They rest their demands on a reasoned system of philosophy. They can only be answered by a completer induction of historical facts, a broader political economy, and a sounder philosophy.

On what grounds do these people base their demand for a reorganization of society? Not solely, as some suppose, on their envy of those who are better off than themselves, but on certain economical evils, acknowledged and deplored by all intelligent political economists.

They observe that the wealth of the world is rapidly growing, and that the share of it which falls to those who work for wages is increasing much less rapidly. This is a fact that they have learned of the most orthodox political economists. "It is only too manifest," says Mr. Rae, in the work from which I have already quoted, "that the immense increase of wealth which has marked the present century has been attended with surprisingly little amelioration in the general lot of the people, and it is in no way remarkable that this fact should tend to dishearten the laboring classes, and fill reflective minds with serious concern." Mr. J. E. Cairnes, one of the most careful and thorough thinkers among recent economists, says:

"The fund available for those who live by labor tends, in the progress of society, while actually growing larger, to become a constantly smaller fraction of the entire national wealth. If, then, the means of any one class of society are to be permanently limited to

this fund, it is evident, assuming that the progress of its numbers keeps pace with that of other classes, that its material condition *in relation to theirs* cannot but decline. Now, as it would be futile to expect, on the part of the poorest and most ignorant of the population, self-denial and prudence greater than that actually practiced by the classes above them, the circumstances of whose life are much more favorable than theirs for the cultivation of these virtues, the conclusion to which I am brought is this, that, unequal as is the distribution of wealth already in this country, the tendency of industrial progress, on the supposition that the present separation between industrial classes is maintained, is toward an inequality greater still. The rich will be growing richer, and the poor, at least relatively, poorer. It seems to me, apart altogether from the question of the laborer's interest, that these are not conditions which furnish a solid basis for a progressive social state."*

It may be imagined that the reasonings of Mr. Cairnes apply only to the state of things in his own country; but this is not the case. His conclusions are drawn from the operation of the laws of free contract and competition in the labor market, and they are just as applicable to America as to England. Indeed, some of the most thoughtful of our own teachers of economy have joined with Mr. Cairnes and Mr. Mill and Mr. Fawcett in teaching the same doctrine.

This, then, is the foundation fact on which the theories of the socialists rest. Their philosophers, men like Karl Marx and Lassalle, are profound students and independent investigators in all this field of political economy, and they have disciples in every nation. A book lately published in this country, "The Coöperative Commonwealth," by Laurence Gronlund, exhibits these economical laws lying at the basis of their system. To bring the fact now under consideration before the eyes of his readers Mr. Gronlund has prepared a series of diagrams, representing the increase of the net product of the industries of the United States through the last four decades, and the manner in which this product has been divided between "wages" and "surplus." The diagrams with the accompanying figures, drawn from the census, show that while the net product of our manufactures increased from \$437,000,000 in 1850 to \$1,834,000,000 in 1880, or more than four hundred per cent., the average annual wages of labor increased from \$248 in 1850 to \$346 in 1880, or about forty per cent. The increase of the "net product" is due, of course, in great part to the increased use of machinery and the improvement in methods of production. That the laborer has been benefited to some extent by this enormous increase of the productive energies of the nation is thus apparent; the fact is one that well-informed socialists do not deny; they only point out that the increase is

* "Some Leading Principles of Political Economy," page 340.

disproportionately small; that the laborer is getting some share of the growing wealth, but by no means his fair share.

Attempts have recently been made by Mr. Giffen in a paper read before the Statistical Society of England, by Mr. Mallock in his "Property and Progress," by Mr. Rae in "Contemporary Socialism," and by others, to break the force of this assertion. Figures have been marshaled from many quarters, tending to show that wages have risen as rapidly as wealth has increased, and that the laboring class are receiving their full share of the gains of modern society. These figures cannot be examined here in detail. Suffice it to say that the conclusions based upon them are far from being settled. Mr. Giffen's reasonings, for example, are confined to the improvement which has taken place in the condition of the English working classes during the last half century; but the point of comparison from which he starts was notoriously one of the very lowest in English history. The laboring classes had reached a point below which they could not have sunk without becoming extinct. From that point they have rapidly risen during the past fifty years. This improvement is mainly due to three causes: the abolition of the corn laws, the factory legislation protecting women and children, and the effective combinations of the trades-unions. But, as Mr. Thorold Rogers has clearly pointed out, the recent rise in British wages cannot be rightly estimated without taking account of the previous depression. If from any causes the laborer is thrust below the level at which he can subsist and rear his family, his return to that level can hardly be reckoned as "progress." And, as a matter of history, Mr. Rogers declares that the English workman was better off four hundred years ago than he is to-day,—not only relatively, but positively better off; that the real wages of labor were higher then than now. There have been great fluctuations in the remuneration of labor in England, as Mr. Rogers so clearly shows in his monumental book on "Work and Wages." By taking one of the extreme points of depression in the past, and comparing the condition of the laborer then with his present condition, it is easy to show that he is far better off than formerly; but a complete and exhaustive study of wages and prices, running through six centuries, like that of Mr. Rogers, leaves the student in a much less optimistic frame of mind. The real question is, however, what has been the effect upon the laboring class of the large system of productive industry now in vogue,—the system which comprises the massing of capital, the division of

labor, and the use of machinery, with free contract and competition as the regulative forces. And the answer to this question given by the socialists is, I am persuaded, substantially correct. Doubtless they exaggerate the facts, but, making all due allowance for exaggeration, the facts support their assertions. Indeed, although Mr. Rae, in the chapter to which I have referred, tries to dispute the conclusions of Mr. Cairnes, I do not see why he does not himself fully admit, in the sentences I have already quoted from him, all that Mr. Cairnes asserts and all that the socialists claim. If "it is only too manifest that the immense increase of wealth which has marked the present century has been attended with surprisingly little amelioration in the general lot of the people," Mr. Cairnes's law is exactly fulfilled; and I confess myself quite unable to reconcile Mr. Rae's statement just quoted on page 319, with his contention on page 324 that "it is a mistake to suppose" that the wage-laborer "has a less share in the wealth of the country than he had when the wealth of the country was less."

The socialists lay much stress upon what they call the "iron law of wages" enunciated by Ricardo, who taught that the natural rate of wages is "that price which is necessary to enable the laborers one with another to subsist, and to perpetuate their race without increase or diminution." It is true that Ricardo qualified this law by teaching that the consent of the laborer is an element in the determination of the price of labor, and that this consent is influenced by custom. The "natural" price is the lowest on which the workman will *consent* to marry and rear a family. But the introduction of this element into the problem takes away all its scientific value. To say that the natural rate of wages is what the laborer is willing to accept is to utter an extremely indeterminate proposition. And, although Ricardo did endeavor to qualify his law by adding custom and choice to physical necessity, there is not much doubt but that the actual working of unrestricted competition strongly tends to fulfill the law in its narrowest statement, and to confine the remuneration of laborers to the stipend actually required for the maintenance of life and the perpetuation of their race "without increase or diminution." A bare support is all that the economical forces, working unhindered, will guarantee to the laborer. So long as competition is the sole arbiter of his destiny, that is about all he will get. If in England during the last fifty years he has been getting more than this, his prosperity is due to the restriction of competition by the factory acts and the trades-unions. If in America he has had more than

this "natural" rate of wages, it has been because free land has constantly tempered the iron rule of competition.

The socialists point out the fact that the multiplication of commercial crises and the frequent recurrence of periods of stagnation and depression, causing great insecurity and distress among laborers, are natural consequences of the present industrial system. It is all due, they say, to over-production, and is a natural and inevitable result of the system of competition. "Private enterprise," says Mr. Gronlund, "compels every producer to produce for himself, to sell for himself, to keep all his transactions secret, without any regard whatever for anybody else in the wide world. But the producer and merchant—the small ones especially—find out daily that their success or failure depends, in the first place, *precisely on how much others produce and sell*; and, in the second place, on a multitude of causes—often on things that may happen thousands of miles away—which determine the power of purchase of their customers. They have got no measure at hand at all by which they can, even approximately, estimate the actual effective demand of consumers or ascertain the producing capacity of their rivals. In other words, 'private enterprise' is a defiance of Nature's law which decrees that the interests of society are *interdependent*; and Nature punishes that defiance in her own crude way by playing ball with these individualists, and, what is worse, by rendering all production, all commerce, chaotic."*

The existence of this evil is not disputed, nor the suffering that it causes to multitudes of laborers. Karl Marx, as paraphrased by Dr. Ely, shows how the latter class is affected by it. "During prosperous times manufacturers employ all the men, women, and children who will work. The laboring classes prosper, marriage is encouraged, and population increases. Suddenly there comes a commercial crisis. The greater part of the laborers are thrown out of employment, and are maintained by society at large; that is, the general public has to bear the burden of keeping the laborers—the manufacturers' tools—for their employer until he may need them again. These laborers without work constitute an army of reserve forces for the manufacturer. When times begin to improve he again gradually resumes business and becomes more prosperous. The laborer's wages have previously been reduced on account of hard times, and the manufacturer is not obliged to raise them, as there is a whole army in waiting, glad to take work at any price."†

The verification of this statement was easy when this was written. In many of our cities from one-twentieth to one-tenth of the population were receiving during the winter of 1884-5 partial support, either from the city authorities or from voluntary charities. But this is only a fraction of the burden thrown upon the general public by laborers out of employment. Count in all the rent bills, board bills, butchers' and grocers' bills, store bills of all sorts, which remain unpaid in times like these, and are finally charged up to profit and loss, and it will be evident that the wage-receivers become in these times of depression heavy pensioners upon society at large. This evil, according to the socialists, is inseparable from the present industrial system, and can only be cured by reforming that system out of existence.

They call attention also to the fact that the tendency of trade and manufactures at present is toward the creation of great enterprises and the destruction of the lesser ones. The class of small tradesmen and capitalists is rapidly becoming extinct. "The same causes," says Mr. Rae, "have of course exercised very important effects upon the economic condition of the working class. They have reduced them more and more to the permanent condition of wage-laborers, and have left them fewer openings than they once possessed for investing their savings in their own line, and fewer opportunities for the abler and more intelligent of them to rise to a competency."‡ That this will be increasingly true under a system of unmitigated competition is a simple deduction from the recognized laws of political economy. The wage-laborer has now "less chance than before of becoming anything else," and his chances will lessen as time goes on. The concentration of industrial direction in fewer and fewer hands is part of the logic of events.

As a consequence of this we have the growth of the plutocracy, into whose hands is gradually falling the power of the state, as well as the direction of commerce. Against the vast combinations that are made by the great corporations and the great capitalists the people seem to have little power. During the past ten years the number of rich men in the Senate of the United States has greatly increased. Doubtless these gentlemen have not resorted to Washington as a mere pastime. That some of them have used money freely in obtaining their seats is notorious; and these are "business" men, and not likely to expend so much time and money without a definite, "practical" purpose. We may expect to see

* "Coöperative Commonwealth," page 42.

† "French and German Socialism in Modern Times," page 181.

‡ Page 324.

this class of men increase in the Congress of the United States. If this is becoming, indeed, a plutocracy,—if, in other words, our economical system is contrived in such a manner as to throw a steadily increasing proportion of the wealth of the country into the hands of a few rich men,—we must expect that those whom we thus exalt will possess themselves, in one way or another, of a steadily increasing share of the political power of the country. Until human nature is greatly changed the political power will rest in the hands of those who possess the physical power.

Such is the indictment of the present order which socialism has drawn. Is it a true bill? It must be said, at any rate, that a *prima facie* case is made out, and that the complainants are entitled to a hearing. Indeed, these tendencies to which they point,—the tendency of wages to sink to starvation point, the tendency of the workman's share of the national wealth to grow constantly smaller, the tendency of commercial crises and depression to become more frequent and disastrous, the tendency of all business operations and enterprises to become concentrated in fewer hands, and the consequent tendency to confine the wage-laborers more and more rigidly to their present condition, with the steady growth of a plutocracy on the one side and a proletariat on the other,—all these are, as I believe, the natural issues of an industrial system whose sole motive power is self-interest, and whose sole regulative principle is competition.

To show that this prediction of the socialists is not a mere scarecrow, let me quote a few sentences from a master in political science who will not be accused of rashness. "If, however," says Dr. Woolsey, "that to which we have referred more than once already should be found to be a law of social progress,—that the free use of private property must end in making a few capitalists of enormous wealth, and a vast population of laborers dependent on them; and if there could be no choice between this disease of free society and the swallowing up of all property by the state,—then, we admit, it would be hard to choose between the two evils. Nothing would lead the mass of men to embrace socialism sooner than the conviction that this enormous accumulation of capital in a few hands was to be not only an *evil in fact*, if not prevented, but a *necessary evil*, beyond prevention. . . . If such a tendency should manifest itself, it would run through all the forms of property. A Stewart or a Claffin would root out smaller tradespeople. Holders of small farms would sink into tenants. The buildings of a city would belong to a few owners. Small manu-

facturers would have to take pay from mammoths of their own kind or be ruined. Then would the words of the prophet be fulfilled: 'Woe unto them that join house to house, that lay field to field, till there be no place that they may be placed alone in the earth.' For if this went to an extreme in a free country the 'expropriated' could not endure it; they would go to some other country, and leave these proprietors alone in the land, or would drive them away. A revolution, slow or rapid, would certainly bring about a new order of things."*

It is evident that this cautious thinker recognizes the *possibility* of the result which the socialists prophesy. In another place he says, still more significantly: "If any such law, fatal and inevitable, is at work, its progress must be measured, not by years, but by centuries. The socialists have done existing order a favor by calling to it the attention of men."† This must imply that the danger, though remote, is real. The socialists would be entitled to no thanks for discoursing of purely imaginary perils.

These words, and, indeed, the respectful treatment which all the more intelligent students of political science give to the discussions of the philosophical socialists, make it quite plain that they have something to say; and it is precisely here, in its criticisms of the present order, that the strength of socialism is found. Its arraignment of the methods of industry and commerce now existing is trenchant and timely. The warnings that it utters every wise man will heed.

But criticism is always easy; construction is another matter. When the socialists begin to outline the new order which is to supplant the old one, they reveal their weakness. The first problem, of course, is to dispose of the stock of political and social goods now on hand. What shall be done with the present order?

The nihilists and anarchists, as we have seen, have their answer ready. In one word, it is dynamite. They propose to wipe out the present civilization, to raze it, even to its foundations. They want to blow the whole social fabric into fragments. Out of the chaos thus produced they expect to evolve some sort of socialistic cosmos—a new heaven and a new earth, wherein every man shall do that which is right in his own eyes. Those brutal outbursts of reasonless and reckless hate to which they treat us now and then are the signs of a fatal weakness. The spasms of an epileptic exhibit the same sort of energy.

But it would be unfair to hold the philosophical socialists responsible for the freaks of these

* "Communism and Socialism," pages 297, 298. † Page 281.

madmen. Their programme is, for the most part, much more rational. They denounce the present system, but they hold the men guiltless who have been nourished by it. Nay, they hold that the present order is a natural and necessary outgrowth of the past; a stage that was inevitable in the process of evolution, and, until it had fulfilled its purpose, beneficent. "The social state of each epoch," says Mr. Gronlund, "was just as perfect as the corresponding development of our race permitted. The evils, therefore, of the 'let-alone' policy are to be considered the legitimate workings of a principle to which humanity in times to come will find itself greatly indebted. This conception ought to guard us against any ill-feeling towards the individual members of our plutocracy. Passions directed against the system are most proper, for it is only passion that can nerve us sufficiently to overthrow the system; but our capitalists are as much the creatures of circumstances as our paupers are. Neither should we forget that there have here and there been employers and capitalists who would willingly have sacrificed them all to right society. Robert Owen was the more noble a man for being rich."* This is the tone which the more moderate socialists adopt, though even these are sometimes found emitting the sulphurous breath of the anarchist. Thus the generally reasonable writer whose words I have just quoted refers in the last chapter of his book to the natural force called *vrii*, described in Bulwer's romance, "The Coming Race." "It can be stored in a small wand which rests in the hollow of the palm, and, when skillfully wielded, can rend rocks, remove any natural obstacle, scatter the strongest fortress, and make the weak a perfect match for any combination of number, strength, and discipline. No wonder that these people attribute their equality, their freedom, felicity, and advancement to this discovery. What if this *vrii*" — so Mr. Gronlund muses — "is but a poetic anticipation of the civilizing power of that real, energetic substance, which we call — *dynamite!*"† Coming, as this does, in the course of a conjectural discussion of the ways in which socialism may be realized, it is little better than fiendish. Dynamite is, and will always be, the weapon of dastards. When the ideas of socialism shall have gained possession of the minds of the majority of the people, its reign can be ushered in without resorting to assassination. Until that time shall come, the men who undertake to force it upon a disbelieving and hostile community by the methods of the dynamiters are savages.

It is not, however, by these diabolical

methods that intelligent socialists expect to see the new order replace the old one. They regard it as the next step in the evolution of society,—sure to follow the capitalistic régime, as that was to follow feudalism and slavery. And they regard these very tendencies which we have been considering as movements in the direction of socialism. The large system of industry, by which laborers are drawn together in masses, the trades-unions, the Knights of Labor, and other organizations of similar character, are all preparing the way for the new order. The separation of society into two distinct classes, of the very rich and the very poor,—a plutocracy on one side and a proletariat on the other,—is, to them, a cheering sign. They are quite willing that the wage-laborer should remain a wage-laborer, and they look with no favor upon any attempts to introduce coöperative industries or industrial partnerships. The faster the work of concentration and division goes on, the better they are pleased. When that time shall come of which Roscher speaks, in which there shall be "a well-defined confrontation of rich and poor," the middle class having practically become extinct, the hour of the new order will strike.

Another sign of the good time coming, to which the socialists point, is the increasing amount of governmental interference. When Sir Arthur Helps wrote his "Thoughts on Government," twelve years ago, his plea for paternalism was thought to be extremely heretical; but the current is now setting strongly in this direction. As an acute writer has recently said: "*Laissez faire* is at the present time losing ground because of evolutionary tendencies, which neither political power nor social philosophy can resist; the Government must assume a larger share of duties, and *laissez faire* must so far stand aside."‡ Mr. Herbert Spencer's late essays on "The Man and the State" are one prolonged complaint of this tendency. "Evidently, then," he writes, "the changes made, the changes in progress, and the changes urged will carry us not only toward state ownership of land and dwellings, and means of communication, all to be administered and worked by state agents, but toward state usurpation of all industries; the private forms of which, disadvantaged more and more in competition with the state, which can arrange everything for its own convenience, will more and more die away, just as many voluntary schools have, in presence of board schools; and so will be brought about the desired ideal of the socialists."§ So universal is this tendency that

* "The Coöperative Commonwealth," page 59.

† Page 275.

‡ "Reforms: Their Difficulties and Possibilities," p. 212.

§ "The Man and the State," p. 39.

Adolf Wagner, the great German economist, has enunciated it as a law—the law of the increasing function of government. From the operation of this law, which causes Mr. Spencer so much anxiety, the socialists expect the introduction of the new régime.

What is to be the new régime? It is, briefly, the nationalization of capital. The state is to own all the land, all the mines and factories, all the machinery, all the raw material of production; it is to assume the direction of all the productive and distributive industries; it is to own and manage all the railroads, the telegraphs, the telephones,—all the means of transportation and communication; it is to keep in its storehouses the fruits of the earth and the products of labor; it is to distribute them where they are needed, and to facilitate exchanges between different groups of workers. Gold and silver and their representatives will be abolished; the only currency will be labor-checks, given in exchange for certain amounts of labor, and exchangeable at the government stores for commodities. All callings are to be classified, and the government is to be administered through these classes of laborers, the principle being that of appointments from below and removal from above. Let Mr. Gronlund tell us how the thing may be done:

“Suppose, then, every distinct branch of industry, of agriculture, and, also, teachers, physicians, etc., to form, each trade and profession by itself, a distinct body, a trades-union (we simply use the term because it is convenient), a guild, a corporation managing its internal affairs itself, but subject to collective control. Suppose, further, that, *e. g.*, the ‘heelers’ among the operatives in a shoe-factory at Lynn come together and elect their foreman; and that the ‘tappers,’ the ‘solers,’ the ‘finishers,’ and whatever else the various operators may be called, do likewise. Suppose that these foremen assemble and elect a superintendent of the factory, and that the superintendents of all the factories in Lynn, in their turn, elect a—let us call him—district superintendent. Again, we shall suppose these district superintendents of the whole boot and shoe industry to assemble themselves somewhere from all parts of the country, and elect a bureau chief; and he, with other bureau chiefs of related industries, say the tanning industry, to elect a chief of department. However, we do not want too many of these chiefs, for we mean to make a working body, not a talking body, out of them. We mean that these chiefs of department shall form the *national board of administrators*, whose function it shall be to

supervise the whole social activity of the country. Each chief will supervise the internal affairs of his own department, and the whole board control all those matters in which the general public is interested.”*

This national board is, however, in Mr. Gronlund’s scheme, less a legislative than an executive body; for all general laws framed by it are to be referred to the people, and will only become laws when ratified by them. He also proposes that every directing officer have the right of dismissing any of his subordinates, and that the highest in every department, the chief, be made liable to removal by the whole body of his subordinates. “The subordinates elect, the superiors dismiss,” except in the case of the highest in rank, who, since he can be responsible to nobody above him, is to be responsible to everybody below him. The question what the foreman of the primary group is to do with refractory or negligent workers is not an easy one to this philosopher. “Whereto could a worker be removed?” he inquires. “He must be employed somewhere. Of course, there must be some kind of remedy by which society could protect itself against any rebellious or negligent worker. For such cases, a trial by his comrades might be provided, the issue of which might be removal to a lower *grade*, or some sort of compulsion.” The question, however, concerns the *lowest* grade. What could be done with people who would not work even there? This part of the programme must be carefully thought out, for unless human nature changes mightily before the dawn of the new order, there will be a great multitude of these people; and their persistent attempts to get a living without work are likely to make trouble in the best-regulated phalanstery.

The state will have three chief functions: it will be Superintendent, Statistician, and Arbitrator. It will direct and control all the farming, mining, manufacturing, carrying, teaching, healing, buying, and selling. It will also collect information from all parts of the country, upon which it will base its decrees concerning the amount of each product necessary for the year. “In the socialistic state,” says Schaeffle, “the functionaries who would have to do with sales would ascertain the amounts needed, would distribute the national work accordingly among the different classes of people doing business and the persons concerned in production, transportation, and storage, and would assign to the products a value according to the mass of socially necessary work spent upon them.”

Nothing like trade or commerce would

* “Coöperative Commonwealth,” page 79.

therefore exist in this state; the shops and stores by which our products are now distributed would give place to vast government bazaars, where your labor-check would be good for a given amount of any product that might happen to be in stock. No leasing would be possible, for all the lands and tenements would belong to the state. Householders would pay taxes to the state for the premises occupied. The state would help itself, out of the storehouses, to any additional amount needed to defray its own expenses. These expenses would not be small, for a pretty large army of officials would be required to supervise all the multifarious details of production, and distribution, and transportation, and instruction. Physicians, teachers, judges (arbitrators, Mr. Gronlund calls them), and all such "non-productive" laborers would be remunerated out of the government stores. The pay of all workers would be assimilated to that of the common laborer, making due allowance for the amount of time required by the skilled worker to fit himself for his calling. The compensation would be graded on this principle. The difference in the various kinds of work, Mr. Gronlund says, "consists simply in being more or less complicated. It takes, simply, more time to learn the one than the other. The most complicated kind of work can always be reduced to ordinary unskilled labor, may always be considered as multiplied common labor." Thus, for example, the actuaries of the new order may determine that the average number of working years in a man's life is thirty. A coal-heaver, who needs to take no time to learn his trade, would have thirty years to work. A teacher must spend five additional years in study; he would have, therefore, but twenty-five years for work. He should receive, therefore, for his twenty-five years' labor as much as the coal-heaver for his thirty years' labor. The teacher's daily stipend should be one-fifth larger than that of the coal-heaver.

It will be observed that, under socialism, every citizen would be directly and consciously in the employ of the government. The government would be the only employer. The civil service would include the whole population. The shoe-maker or the hod-carrier would be a government officer as much as the post-master or the department clerk.

Under this régime private property would not be abolished, but it would be greatly restricted. A man might live, doubtless, on less than the amount of his daily earnings, and thus an accumulation of labor-checks might be made upon which he could subsist while devoting his leisure to study or travel; but the savings of day-wages must needs be small.

Loans with interest would be prohibited; for it is the very foundation-stone of socialism that capital—that is, property of any kind from which income is derived—shall all belong to the state. Every man's income would be strictly confined to his actual earnings; and the state would be his employer and would fix his stipend. Inheritance would also be restricted or forbidden. Private property would not be allowed to accumulate in this way, in families, by transmission. On this question, however, there is not entire agreement among socialists; some of them holding that the right of bequeathing one's personal savings should not be denied. The limitation of private property would, however, be pretty strict, if Mr. Gronlund is a prophet. This is his judgment:

"Every millionaire is a criminal.

"Every one who amasses a hundred thousand dollars is a criminal.

"Every president of a company with nominal duties, if his salary is but a thousand dollars, is a criminal.

"Every one who loans his neighbor one hundred dollars and exacts one hundred and six in return is a criminal."

It is evident that the reign of the plutocrat will cease when socialism comes to its own.

One interesting feature of the new order is conveyed in the assurance that the question of domestic service will be forever settled. "Domestics will be incorporated in the family, as members of it. No one, then, surely will be so slavish as to accept the position on less honorable terms." After making this fact known, Mr. Gronlund imagines some objector crying out, "Is the man crazy? No one to black our boots, sweep our rooms, attend us at meals, nurse our children! No one to look after our comfort!" To which he makes this answer: "We really think you will have to 'look after your comfort' yourself. Most of your fellow-men, many of them far more worthy than you, now have to do that. At the public places, of course, you can have all your wants supplied and yourself attended to, but mark! by persons as much public functionaries as you yourself will be, and conscious of being so, and whom you cannot familiarly call 'Ben' or 'John' except on an equal footing. But at home you will have to be 'served' by members of your family, and such people whom (*sic*) your personal qualities will attach to your person."

Socialism aims, fundamentally, at the reconstruction of the industrial order; and it need not concern itself with questions of morality or religion. Whatever may be said by its expositors about these questions should be taken as mere *obiter dicta*, and should not be suffered

to bind or to ban the system. Nevertheless it is noteworthy that those socialists who touch upon domestic and ethical matters indicate their preference for a somewhat radical reconstruction of society along these lines. Their prediction is that marriage will be purely voluntary; that society will interpose no obstacles to the separation of discontented partners; that the control of children by their parents will be much less absolute than at present; that in many of the most important interests of life society will stand *in loco parentis*. "Children do not belong to their parents," says Mr. Gronlund; "they belong to society." "In the very nature of things family supremacy will be absolutely incompatible with an *interdependent*, solidaric commonwealth, for in such a state the first object of education must be to establish in the minds of the children an indissoluble association between their individual happiness and the good of all. To that end family exclusiveness must be broken down first of all."*

As to morals, the socialists are inclined to charge all evil-doing upon the present order of society, and to excuse, if not to justify, the existing race of criminals. The new order will make men good by furnishing them with a better environment; it will successfully tempt them to do right.

As to religion, something of that nature will still remain, no doubt. There is no reason in the nature of things, as Dr. Woolsey says, why socialists should not be Christians. They might even make Christianity the state religion. There is in Germany at the present time a considerable body of Christian Socialists whose programme is, indeed, much less radical than that of the Social Democrats, but who are fairly entitled to the name. As a matter of fact, however, the great majority of socialists are violently opposed to all that is known by the name of religion at the present day.

"Socialists," says Schaeffle, "pronounce the church to be a police institution in the hands of capital, and that it cheats the proletarian 'by bills of exchange on heaven.' It deserves to perish."

THIS exposition of the philosophy and the aims of socialism is necessarily rough and incomplete; I have endeavored to set forth, as fairly as I could, the main features of the system. In doing so I have exhibited its weakness. As a positive programme for the reconstruction of society its ineptitude must be apparent. It can never survive a thorough popular discussion. So long as it is content with criticising the present order it can gain a hearing; and, as a matter of fact, it does, for

the most part, confine itself to this rôle. Its advocates are chary of definite information about their plans. They are able clearly to point out the evils of competition and capitalism; but when they are asked to tell what they would put in the place of the existing system, they at once begin to deal in generalities. An attempt such as Mr. Gronlund has made to furnish an outline of the new order is the most convincing argument against it. The reflections that must force themselves on all who take the trouble to think out this scheme are briefly these:

1. The attempt to regulate the social and industrial life of a great nation like ours by a centralized bureaucracy would break down under its own weight. The work would be so vast and complicated, the details so multifarious, the adjustments so difficult, the administration so herculean, that its collapse would be speedy. To do all this work an army of "non-productive" government officials would be required, whose draft upon the products of industry would be enormous; it is a question whether the "productive" workers would obtain any larger portion of the net product of their industry than they are now receiving. Under any system labor must be supervised and directed, and exchanges of products must be effected, and this work of direction and exchange must be remunerated. Socialists must carefully count the cost of all this before they enter upon the warfare in which they are now enlisting. The cumbersome rather than the cost of the method is, however, the feature upon which attention should be fixed. That a "National Board of Administrators" at Washington should set out to ascertain and measure the desires of fifty millions of people for the necessities, the comforts, the luxuries of life, and should undertake to produce all these "satisfactions" and distribute them to those who crave them, seems, on the face of it, preposterous.

2. Closely connected with this objection another fundamental weakness of the scheme appears. This is the attempt to base all values upon cost of production, without any consistent reference to the principle of supply and demand. Things are to be worth just what it costs to produce them; the strength or the weakness of the desire of the consumer is not to have any measurable influence in determining the price that shall be paid for them. Mr. Gronlund admits that supply and demand is a natural law, and that it has at present a great deal to do in fixing the prices of commodities, and he thinks that a little room may perhaps be found for the play of this force under the socialistic régime; but it is evident

* "Coöperative Commonwealth," page 224.

that he likes it not, and would willingly be rid of it altogether. The practical difficulties which would arise on account of it are easily conceived. Suppose, for example, a group of manufacturing tailors produce one hundred thousand coats, which are sent to the government warehouses, to be sold. The price of each is fixed by the time expended by the workman in making it. Suppose another group manufactures the same number of coats out of material costing exactly the same, and with the same amount of labor, and these go into the warehouses in the same way, to be sold, of course, at the same price. Owing to the differences in the color and style of the material, and in the pattern and finish of the work, the one lot of coats is quickly disposed of, while the other lot proves unsalable. What is the government to do with this product for which it has paid, and which nobody wants? Will it dispose of the stock for less than its actual cost in labor? Will it not continually find its storehouses filling up with goods that nobody will buy? Mr. Gronlund allows that sacrifices would sometimes have to be made in this way, which the government, "as the universal insurer," would be obliged to meet. He thinks, however, that the government would find ways of controlling this troublesome factor—that is, of causing the people to demand those commodities, and those only, of which it has the supply. It is easy to see how this might be done, in part, by establishing uniformity in a great many of the features of life where now diversity exists; by compelling the people all to dress exactly alike; to dwell in houses of uniform size and cost; to lay aside their individual tastes and preferences and live a life prescribed by governmental regulation. The socialistic scheme can never be worked without the enforcement of such a uniformity in most of the details of life.

3. It is evident that the freedom of the individual would be greatly limited under such a régime. No despotism could be more absolute or more intolerable than that which this fierce democracy would be sure to exercise. Many of the questions which men are now left to determine for themselves would be determined for them by the state; the range of their choices and responsibilities would be greatly narrowed; the forces by which high character is developed would be correspondingly weakened. It is by no means clear that the right of movement from place to place would be left to the individual. Mr. Gronlund insists that it would be, but he has not shown us how this great governmental machine will be able to carry on its work

successfully, unless it has the power to compel its workmen to stay where they are put and do the work assigned to them. As Baron J. Eötvös* has strongly said, "The unconditional subjection of the individual under the state" is the first principle of socialism. "What the form of the state would be in its socialistic era," says Dr. Woolsey, "would be of little importance. The essential characteristic is that it must become all but unlimited; and our readers are well aware that all unlimited governments are more like one another, whether they be called monarchies or oligarchies or democracies, than they are each like to a limited government of their own name."† That this unlimited government, though democratic at first, would easily pass under the control of a single despot, is a truth which reason announces and history confirms. It was revolutionary and communistic France that flung herself so suddenly and so eagerly into the arms of Napoleon. Mr. Gronlund's "National Board of Administrators" would soon find some single will ruling in its councils, and the question of the responsibility of this body, with which its inventor labors, would be promptly solved.

4. But socialism is fundamentally an economical method, and is, therefore, fundamentally wrong, because it is based on a doctrine of economy which is false; namely, the doctrine that all value is the product of labor. This doctrine of value, formulated by Karl Marx, is the corner-stone of socialism. "Nothing," says Mr. Gronlund, "can so effectually kill our cause as the successful impeachment of the answer we shall give to the question, 'What is value?'"‡ This is undoubtedly true, and therefore socialism can never survive a thorough discussion of its economical basis; for no matter whether Ricardo or Marx be the author of this doctrine, it is unsound. Other elements besides the "quantity of common human labor measured by time" help to make up value. Here are two groups of a thousand men, equally industrious and capable. The workmen of the one group find such occupation as they can; but many of them have poor tools, and many others are lacking in constructive or artistic skill and do not know how to direct their own powers; and many others make mistakes of judgment in determining what they will produce, and continually find that they have expended their energies upon products for which there is no demand; and many, still more helpless, though willing to work, are idle a good part of the time because they can find nothing profitable to do. The other group are employed by a man of intelligence and experience. He possesses an ample supply of the

* Quoted by Woolsey, "Communism and Socialism," page 269.

† Page 232.

‡ Page 16.

best tools and machines; he knows, by wide observation and careful study of the market, for what articles there will be an efficient demand; he has the constructive skill and the taste that enable him to produce the goods that will please the people; he knows when to get them to the market and how to put himself in communication with purchasers. Under his direction the second group of men work for a year. Will any man say that the product of their labor, thus directed, will possess no more value than the product of the first group, who wrought blindly during the same time, without direction? Will any man say that the knowledge, the skill, the taste, the judgment, the enterprise, the organizing ability of this employer are not elements in the production of this enhanced value? The majority of the men who work lack the power of directing their own labor so as to secure from it the most valuable product. A very large share of the value produced by their labor is given to it by the intelligence and the organizing power of their employers. To say that this intelligence and this organizing power have nothing to do, or but little to do, with the creation of value is to talk arrant nonsense.

The power to organize and direct labor is highly useful to society. We owe to it the great multiplication of wealth and the rapid progress of the industrial arts. The workmen themselves have derived from it incalculable benefits. And this power has been developed in great degree by the operation of that same "private enterprise" whose doings the socialists so constantly execrate. Even Mr. Gronlund is forced to acknowledge this: "We heartily admit that it has performed wonders. It has built monuments greater than the pyramids. Its Universal Expositions have moved greater masses of men than the crusades ever did. It has done mankind an immense service in proving by hard facts that wholesale manufacture is the most sensible form of labor." (Page 53.)

This is a grudging admission. It has done far more than this. With all its mischiefs and its curses,—and they are multitudinous,—private enterprise has filled the world with blessings. It has been the motive power of material civilization.

But socialism proposes to dispense with it. It will suffer private property, in a restricted sense, but it will not suffer private *enterprise*. The State is to monopolize the enterprise. The organizing genius, the constructive skill, the executive energy which have built up modern civilization have been developed by giving an open field to private enterprise, and permitting individuals to reap for themselves the rewards of their own vigilance and sagacity.

The closing of this door would paralyze industry and put a stop to development. The prospect of profit from industrial investment is the mainspring of industrial progress. In the words of Mr. Cairnes: "The inducement thus offered to the acquisitive propensity in man constitutes under the actual system of things the ultimate security for all the results which go to form our industrial civilization. The feeling appealed to may, if you like, be a coarse one, but it is at any rate efficacious; it does lead to habitual and systematic saving, and furnishes society with the necessary basis for civilized progress." The proposition of the socialists to exterminate or repress this central principle of human nature is clearly unscientific; the reform for which they call is "a reform against nature."

The just demand of the working class is that they shall share in the growing wealth of the world. "Now this," says Mr. Rae, "involves two things: first, progress; and second, diffusion of progress; and socialism is so intent on the second that it fails to see how completely it would cut off the springs of the first."

The two coördinate forces of the ideal society are self-interest and benevolence. In the perfect society they will exactly balance each other. The present industrial order makes self-interest the sole motive power. Under this one-sided régime the mischiefs have arisen of which socialism complains. The remedy which socialism proposes is the entire reconstruction of society upon the other principle of benevolence, allowing no opportunity for the free play of the self-regarding motives. From the one extreme it flies to the other. Because civilization has gone on one leg till it is lame, socialism insists that it shall go on the other, exclusively, till that too breaks down. Its health and its progress will be promoted by permitting it to go on both legs. Private property and private enterprise must be maintained, and some means must be found of infusing into them a larger measure of good-will. The manual laborer is not entitled to the whole of the net product of his labor; but a wise philanthropy, studying his conditions, freely allows that a larger share of it than he now receives equitably belongs to him, and insists that some adjustment shall be made by which he shall obtain a larger share. The wage-laborer ought to have not only the market rate of wages, under competition, but a stipulated share in the profits of business. He ought to be identified in interest with his employer; and he must be, before there can ever be peace between them. The system of profit-sharing, or industrial partnership, saves and enlarges the gains of private enterprise, and permits the work-

man to participate in them. By some application of this principle the efficiency of the present wage system will be preserved, and its worst mischiefs averted. If any one wishes to know whether this method is practicable or not, let him read that eloquent little book by Sedley Taylor on "Profit-Sharing," in which the results of a large number of experiments along this line are clearly set forth. More than a hundred establishments upon the continent of Europe are now working happily and prosperously upon this basis.

The socialists, indeed, as I have said, are altogether unfriendly to this method. They prefer that the gulf between the laborers and their employers should go on widening and deepening. The faster this proceeds the sooner will come the social revolution for which they pray. Therefore they denounce all workmen who enter into such partnerships with their employers, as a class "with one foot in the camp of the *bourgeoisie* and the other in the camp of the proletariat." Exactly so. In this lies the wisdom and the glory of the method. It is not divisive, it is unitary. "It is only," says Mr. Rae, "by linking a lower class to a higher that you can raise the level of the whole."

This simple readjustment of the economical relations of employer and laborer would put a new face upon industrial society. Peace would take the place of strife, confidence of distrust, hope of despair. The efficiency of labor would be promoted, and the gains of civilization, for all classes, indefinitely increased.

Instead, therefore, of pulling down the existing order, as the socialists propose, the thing to be done is to enlarge its foundations. They are right in saying that an industrial system whose sole motive power is self-interest and whose sole regulative principle is competition will end in pandemonium; but they are foolish in thinking that humanity will thrive under a system which discards or cripples these self-regarding forces. What is needed is the calling into action of the goodwill which is equally a part of human nature. This also must be made an integral part of the industrial system; it must be the business of the employer to promote the welfare of his workmen, and the business of the workmen to promote the interest of their employer. The organization of labor must be such that the one class cannot prosper without directly and perceptibly increasing the prosperity of the other. This is the true remedy for the evils of which the socialists complain. The reform needed is not the destruction but the Christianization of the present order.

Yet, in the language of Sedley Taylor, these

methods of profit-sharing and industrial partnership, "valuable as they are in themselves, constitute no self-acting panacea; . . . their best fruits can be reaped only by men who feel that life does not consist in abundance of material possessions, who regard stewardship as nobler than ownership, who see in the ultimate outcome of all true work issues reaching beyond the limits of the present dispensation, and who act faithfully and strenuously on these beliefs." Those who are under the sway of such motives must take the initiative in this great enterprise of making peace between the workmen and their employers. Edme-Jean Leclair, founder of the *Maison Leclair* in Paris, and a man whose life was devoted to the building up of a noble and beneficent industry upon this foundation, wrote, upon his death-bed, this confession of his faith: "I am the humble disciple of Him who has told us to do to others what we would have others do to us, and to love our neighbor as ourselves; it is in this sense that I desire to remain a Christian until my last breath." Out of such a faith ought to grow such fruit. If our Christianity has any life in it, it can solve this problem of the relation between labor and capital. And every employer over whom Christian motives have any power ought to feel the weight of the obligation resting on him to establish between himself and his workmen a relation in which it will be natural for them as well as for him to obey the Christian law.

As a consequence of this economical readjustment better relations would be established between all classes in society, and sympathy and kindness would take the place of suspicion and alienation. The iron law of wages would be broken, and the yawning chasm between rich and poor would be bridged by goodwill.

The principal remedy for the evils of which socialists complain is to be found, therefore, in the application by individuals of Christian principles and methods to the solution of the social problem. The notion that the state can cure all these mischiefs is not to be entertained. Nevertheless, though the state cannot do everything, there are some things that it can do, and must do. The limits of governmental interference are likely to be greatly enlarged in the immediate future. New occasions bring new duties; the function of the state must be broadened to meet the exigencies of our expanding civilization. We may go far beyond Mr. Spencer's limits and yet stop a great way this side of socialism. Out of unrestricted competition arise many wrongs that the state must redress, and many abuses that it must check. It may become the duty

of the state to reform its taxation, so that its burdens shall rest less heavily upon the lower classes; to repress monopolies of all sorts; to prevent and punish gambling; to regulate or control the railroads and the telegraphs; to limit the ownership of land; to modify the laws of inheritance; and possibly to levy a progressive income tax, so that the enormous fortunes should bear more, instead of less, than their share of the public burdens. The keeping up of such fortunes is against public policy, and the state has the same right to discourage them that it has to inspect factories

or ships, to tax saloons, or to prohibit the erection of a slaughter-house upon the public square. By some such measures the state may clearly indicate its purpose, while carefully guarding the essential liberty of its citizens, to restrain those oppressive evils which grow out of the abuses of liberty; and, while protecting property and honoring industry, to check, by every means in its power, those tendencies by which society is divided into the two contrasted and contending classes of plutocrats and proletarians.

Washington Gladden.

SHILOH REVIEWED.



BATTERY, FORWARD!

Twenty-three years ago the banks of the Tennessee witnessed a remarkable occurrence. There was a wage of battle. Heavy blows were given and received, and the challenger failed to make his cause good. But there were peculiar circumstances which distinguished the combat from other trials of strength in the rebellion: An army comprising seventy regiments of infantry, twenty batteries of artillery, and a sufficiency of cavalry, lay for two weeks and more in isolated camps, with a river in its rear and a hostile army claimed to be superior in numbers twenty miles distant in its front, while the commander made his headquarters and passed his nights nine miles away on the opposite side of the river. It had no line or order of battle, no defensive works of any sort, no outposts, properly speaking, to give warning, or check the advance of an enemy, and no recognized head during the absence of the regular commander. On a Saturday the hostile force arrived and formed in order of battle, with-

out detection or hindrance, within a mile and a half of the unguarded army, advanced upon it the next morning, penetrated its disconnected lines, assaulted its camps in front and flank, drove its disjointed members successively from position to position, capturing some and routing others, in spite of much heroic individual resistance, and steadily drew near the landing and depot of its supplies in the pocket between the river and an impassable creek. At the moment near the close of the day when the remnant of the retrograding army was driven to refuge in the midst of its magazines, with the triumphant enemy at half-gunshot distance, the advance division of a reinforcing army arrived on the opposite bank of the river, crossed, and took position under fire at the point of attack; the attacking force was checked, and the battle ceased for the day. The next morning at dawn the reinforcing army and a fresh division belonging to the defeated force advanced against the assailants, followed or accompanied by such of the broken columns of the previous day as had not lost all cohesion, and after ten hours of conflict drove the enemy from the captured camps and the field of battle.