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# Economic Liberty

VS.

# The Warfare of Wealth.

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A review of modern civilization, and a rational  
discussion of the forces most potent in  
its growth and decline.

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BY

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ORLO EPPS

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To all who seek the truth, (God's way,)  
and have the courage to follow where it  
leads;

To those who demand liberty and justice for all,  
as human birthrights;

To all who love humanity and labor to make it  
happier and better,

This volume is inscribed by

THE AUTHOR.

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## PREFACE.

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In offering this addition to the literature of economics, I have made no attempt at originality. The ground has already been pretty thoroughly plowed by various authors, and not many basic thoughts have been omitted.

However, any one man has his own view of the subject and generally has some hobby or central idea to which he subordinates all others; consequently, there is much good in many books and also much rubbish.

The great difficulty that the average man encounters in reading is to separate the true from the false, the wheat from the chaff.

The present work is an attempt to select the best thoughts of many books bearing on this subject, to arrange them logically and apply them to the problems at hand.

Perhaps at no past time have the conditions of society changed more rapidly than in the United States within the last twenty years.

New problems in government are constantly arising that demand new principles and laws for right adjustment.

In a progressive country laws cannot remain fixed and always be just.

Property laws, however well adapted for a sparsely settled country with unlimited natural resources, and where the implements of production are simple and owned by the operator, are not necessarily the best for a thickly settled country where opportunity has been monopolized and wealth become oppressive.

That there is general unrest at the present conditions is evident; that there is also a painful lack of intelligent knowledge of a satisfactory solution of the problems is also evident.

Our leading statesmen and economists agree on minor points only, and the accumulation of wealth and poverty goes on with accelerated velocity.

The causes which destroyed past civilizations are operating here, with the aid of the most potent levers, machinery and organized capital. Society is rapidly separating into classes. Economic slavery is fast overcoming the advantages of political and religious liberty.

During all this time economic thought has been

clinging to the ideas of other centuries, and the few who have had the courage to think for themselves have been deemed cranks or visionaries, and traitors to society.

It is the hope of the author that those who read this book will join the small but noble army of independent thinkers, and will give some part of their energies to the uplifting of humanity, that "Thy will may be done on earth as it is in Heaven."

The author has drawn unreservedly from and begs to acknowledge his obligations to the following authors:

Buckles' History of Civilization in England; Adam Smith's "Wealth of Nations;" J. S. Mill, Herbert Spencer, Henry George, Richard T. Ely, Carl Marks, Edward Bellamy, Frank Parsons, Dr. Alexander Kent, and many others; also to the leading periodicals of the day.

ORLO EPPS,

Oneonta, N. Y.

Jan. 1st, 1903.

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*INTRODUCTION.*

## CHAPTER I.

On my study table lie several copies of recent periodicals and daily papers.

A review of many of the headlines of their contents furnishes food for serious reflection, for any student of economics, or for any one interested in human happiness.

They indicate not only changes of great moment in our industrial life, but also a worship of selfish greed and an utter disregard for the welfare of the masses of the people.

These items are not rare collections from a large number of copies or for a long period, but are so common that they excite little comment from the average hustling reader.

Let me review briefly a few of the principal ones. They are familiar to all of you.

Organized Capital refuses to recognize organized Labor.

One hundred and forty-five thousand miners

engaged in an industrial battle with the coal trust. Losses already over \$150,000,000, a large part of which is by the general public. The government powerless to aid the people, but troops are protecting the property of organized capital.

Schools and churches to close for want of coal.

Poor people charged \$25 per ton for coal worth \$4.50.

The President of the United States, and Governors of New York and Pennsylvania insulted by the coal barons, when approached in behalf of the suffering public.

The Standard Oil Trust raises the price of kerosene, because it can get it. John D. Rockefeller (?) gives another million to the Chicago University.

Boodle Alderman, of St. Louis, in custody. Leading citizens implicated in a wholesale public robbery. The clan thoroughly organized for the purpose of defrauding the city. Apathy of the officials in pushing the case.

Reciprocity with Cuba blocked by the representatives of the Sugar Trust in the United States Senate. The Administration powerless.

The cost of a presidential campaign and where it comes from.

Millions freely provided by corporations and trusts to elect Capital's candidate.

Prince Henry and other royalty entertained by our millionaires.

Our wealthy citizens hobnobbing with English and German royalty. They buy homes abroad and join hands and hearts with the aristocracy of the old world.

The \$1,400,000,000 steel trust, whose stock is nearly one-half water, pays a handsome dividend and carries over a large surplus.

Great prosperity still continues.

Large exports of iron and steel products.

Prices lower abroad than at home.

Trusts and corporations formed during the past three years are capitalized at \$4,318,000,000, (exclusive of railroads). We now have in the United States nearly four thousand million heirs.

The concentration of railroads.	1880-1900.
Vanderbilt system controls . . . . .	19,500 miles.
Penn. system controls about . . . . .	18,000 " "

Gould-Rockefeller system about . . .	16,900	“
Hill-Morgan system about . . . . .	43,000	“
Harriman & Co. system about . . . .	21,900	“
All outside companies about . . . . .	35,896	“

Nine billion dollars worth of railway property, (one-tenth of our total wealth,) now controlled by five corporations, while many directors serve two or more corporations.

Morgan succeeds in combining the Atlantic steamships. New corporation has hundreds of millions capital.

The capital stock of trusts and combines engaged in manufacture is equal to the combined capital thus employed in 1890.

Trust stock averages nearly one-half water. Thirty per cent. of the laborers in some southern mills are under twelve years old. Their average wage is \$1.43 per week. The average of all wages in the mills of the southern states is 57 cents per day.

One-seventh of all employees in Massachusetts manufacturing establishments, receive less than \$5 per week.

Statistics indicate that one and one-quarter per

cent. of the people own seventy per cent. of our total wealth.

Our total wealth has increased thirteen fold in the last fifty years, and over \$25,000,000,000 in the last ten years, yet the percentage of suicide, poverty, crime and insanity are on the increase.

One-tenth of the dead in some of our largest cities are buried in the potter's field.

One million two hundred and twenty-five thousand people in New York live in crowded tenements.

The above are only a few suggestive topics of interest. They are not striking enough to cause special comment from the press or the masses, yet they show the drift of industry and of economic thought.

These conditions grow upon us gradually, hence we do not fully realize their significance.

We are so accustomed to hearing about our glorious free country, of equality before the law, of our ability as inventors, manufacturers, organizers, soldiers, sailors and general hustlers, that we are loth to believe that we have any defects or weaknesses.

We look upward with patriotic joy to a flag that symbolizes political and religious liberty, and then bow our necks to the yoke of industrial slavery without a murmur or thought of injustice.

It was ever thus with other civilizations, yet they have passed away.

The causes of their decline and decay are well established with ours, as evinced by the above conditions.

Are the causes capable of being removed?

Are they natural laws or are they human errors? Are they necessary or even desirable? These are the questions demanding an answer at our hands to-day.

In discussing the fundamental laws of social progress, I would first divide the subject into its two natural phases; the physical part, and the intellectual part.

Unless we do this, we shall be liable to allow one phase of progress to dominate over the other at the expense of both.

That these two phases are fairly well balanced in the United States to-day, I am willing to admit. but that they will remain so long, I seriously doubt.

I shall include in the first part all that pertains to the development of physical power, and the accumulation and distribution of wealth.

The second part will naturally consider those purely mental attributes, Law and Ethics, as related to social progress.

Before we can intelligently study the progress of society collectively, we must consider the individual and the means by which he progresses as such.

We can best observe these characteristics by comparing progressive man with non-progressive animals.

There are three distinct differences.

First, *Animals in their natural habit make no mistakes.*

This follows largely from the fact that their wants are purely physical, and from the second difference, which is, *Animals make no improvements.*

Whoever heard of a bird being puzzled as to how or where or when to build its nest, or as to the finish or strength of it.

Yet the nest of the mud swallow to-day is not one whit more commodious than the ones built

under the eaves of Grecian temples, and the size and shape of the wood-chucks burrow are the same as those of all his ancestors.

Animals instinctively shun danger, whether it be in the form of a poisonous plant, or an animal foe, yet they make no new provisions for defense, or for the destruction of their enemies.

It is true that where necessity compels it, animals sometimes show great cunning and patience in procuring food.

It is also true that where the climate makes it difficult to procure food a part of the year, that some animals instinctively provide for the approaching famine.

But, that this is purely instinct, is shown by the fact that young animals, which have never known what winter is, make the same provision as older ones.

Animals in captivity or domesticated may be taught many things which might argue a higher intelligence, but yet these same animals never try to teach their offspring the same tricks.

They may have the power of memory well developed, but rational thought is beyond them.

Their lack of progress may be best explained by their third difference from man, namely, the use of implements.

*Animals make no use of implements.* Man cannot progress materially without the use of implements, and his progress is in direct proportion to the efficiency of the implement used.

The Chinese coolie can, by the aid of a bag thrown over his shoulder, transport one hundred pounds of tea twenty-five miles in a day. Our locomotive engineer, using a modern locomotive, a railroad, and a train of cars, can sit on a cushioned seat in a comfortable cab, and, with the energy developed by a few tons of coal, transport thousands of tons of freight two hundred miles per day.

The coolie performs many times more manual labor than the engineer, but the results are affected by the efficiency of the implements used in both cases. Nor is the result a matter of the difference in intelligence of the operators, as many often suppose.

The Persian woman, who spends years in weaving an intricate pattern in a rug, has much more skill and uses more intelligence than does the opera-

tor behind an automatic power loom, which weaves a similar design in many rugs per day.

It takes but little skill or knowledge to operate a canal boat, yet this simple contrivance is the greatest competitor of the complicated railway in transporting freight. The effectiveness of the implement is what tells in results, other things being reasonably equal.

I wish my readers to remember this in connection with future arguments.

Having thus briefly considered the essential differences between the progressive and non-progressive as individuals, let us now turn our attention to the progressive and non-progressive in society.

Politicians would have us believe that our progress and prosperity depends upon our form of government, our laws, tariffs, tax systems, etc. But let us see. England and Germany, under monarchical governments have made nearly as rapid progress during the past century as the United States, while our Canadian brethren are so well satisfied that they prefer paying a heavy duty on goods sold us, rather than change their government for ours.

On the other hand, many of the republics of

Central and South America have made but slight progress. Countries with high tariffs, and those with no tariffs, have prospered, side by side.

Countries with elected officers and countries with royal monarchs have progressed or declined, regardless of these facts.

The evidence is so plain that all may read for themselves.

Then again, the church would have us believe that our generally accepted form of religion, "christianity," is responsible for our prosperity and progress. Let us see. Japan, with a pagan religion, has made more progress in the past fifty years than Christian Spain, or Italy, has made in ten centuries.

It is a fact of history and experience that where and when the church is strongest, civilization is most backward, and liberty and happiness are suppressed. This is an observed fact in our own country. The sections most pervaded by theology were the Puritan settlements of New England, and the slave-holding states of the South. Their ideals of liberty and justice are well known, and

the influence of them still permeates the localities to some degree.

That this effect is natural and rational will be better understood after studying the chapter on the ethical side of progress.

We must conclude from the above that material progress is not necessarily conditioned by either law or theology, and that the mental side of the subject is largely distinct from the material side.

I would not have my readers infer that I depreciate the good effects of law or religion. Far from it. There is much in them that is good, but that they are controlling influences for material progress, I deny. That they are the causes of stopping progress and producing decline, I hope to prove.

Civilized society is difficult of analysis, on account of the variety of sources from which its elements are drawn.

As modern Rome is largely constructed from the ruins of the Coliseum and other public buildings, so modern civilization is partly constructed from the ruins of those passed away. In fact the ethical side of modern civilization is not only constructed of the material of ancient ruins, but it still clings

to the structural forms and styles of those models.

We can, perhaps, study the essential principals of social development best by following the history of a primitive settlement, from its first establishment beyond civilization, to its ultimate development as a great commercial center.

In our typical frontier settlement, there is equality of opportunity and of wealth. All have common interests and perils, and are free from oppression of every kind.

Undeveloped natural resources abound, land rent is nothing, and taxes are light. The implements of industry are simple and well distributed.

Each man owns his land and tools, and consequently owns the product of his own labor.

Each family is largely independent of the rest, and contains the necessary knowledge, skill and implements to sustain comfortable existence, with, of course, few luxuries. Laws are few and all but useless and crime is practically unknown. All labor, none play or shirk.

Everybody is happy and contented, and progress, although slow, is constant.

What wonder that the careworn, despondent son

of toil of modern life should long for the "days of his daddies?"

Little do they dream, however, that securely established among them is a fundamental principle of law, which will one day make them enemies of each other, elevate some to opulence and all but pauperize the rest.

All goes well at first in our embryo society. The land is cleared and cultivated, roads are constructed, homes are built, and schools are established.

Meanwhile, some individuals have shown a marked preference and ability in performing special kinds of work, and labor becomes more and more specialized. Some follow carpentry, others shoe-making, others blacksmithing, and still others attend to the distribution of surplus goods and exchanging them for more desirable commodities; yet so long as each one owns his own tools, or his own land, and can do for himself what he may prefer to hire done, no injustice or extortion occurs. All are benefitted by the superior skill of the carpenter, the smith and the cobbler, and the rest of the community can well afford to divide with them the fruits of their own labor in other

lines. The farmer, having more time to devote to his own proper work, can make many improvements that were before impossible, while the tradesmen can study out many new and useful forms and tools. Everything seems to progress along the lines of justice and equity. The religion of useful toil, kindness and human sympathy pervades the air.

But now an event occurs which, while it occasions no comment or opposition, is still fraught with consequences and most momentous.

Instead of the produce dealer, carpenter, smith and cobbler, living in separate sections of the community, it is deemed best that they should reside in a more compact settlement near the center, so as to be more easily reached.

This seems rational, inasmuch as a post office and a general store have become necessary.

A site is selected on Farmer Jones' land, near the falls in the river. A street is laid out, parcels of land staked off for the use of the various proposed residents, and our embryo town begun. A school house is now considered a necessity, and, naturally, our new village is selected as the best

location for it. Farmer Jones cheerfully donates the grounds and chuckles at his good luck. Adjoining the Jones homestead on the East is the farm of neighbor Greene, while two miles further on is the home of Farmer Smith.

Farmer Smith's place is equally as good for farm purposes as Green's, and the improvements are even better. However, Farmer Smith has some small children to educate, and his son wishes to learn a trade. So he proposes to neighbor Green that they trade farms. "Oh no," says Green, "My children now have but a short distance to go to school; I can get my mail daily; I am convenient to the store and workshops, and therefore save time in going to town, besides our village is sure to grow. All of which have a value. If you wish, I will trade for \$1,000 to boot."

"Very well," says Smith, "I think your argument is good, and the price of the advantages fair, so I will pay you the \$1,000."

The trade was duly made, and notwithstanding Smith had done as much as Green to make the place worth the extra money, yet he cheerfully bound himself and his heirs forever to pay to

Green and his posterity, the sum of the interest of \$1,000 annually.

This was the beginning of land rents in Jonesville but not the end.

While the community at large felt that an unfair advantage had been gained by a few of their number, yet their selfish ownership of their own places prevented them from doing more than envy their fortunate neighbors, and long to stand in their shoes. They also argued to themselves that they had lost nothing by having the village, but were really better off than before.

Therefore the cost had not come out of them, and why should they object to their neighbors' gains.

Little do they realize the value that organized society gives to favored locations, on account of consequences or special opportunities, or that they have any moral right to a share in this value. This is the first stepping-stone to inequality in economics and the first wedge that tends to separate society into classes.

It is plainly evident that Farmer Green and his posterity have a decided advantage now over the

neighbors adjoining him, inasmuch as he has \$60 per year (the legal rate on \$1,000) to spend, more than they, or, if he chooses, he may remain idle and buy from them, thereby becoming a burden to society.

This, again, is not clear to his neighbors, as they say they must sell their surplus somewhere, and Farmer Green's money is as good as any ones. Besides, he is close by, and saves long hauls.

In fact, many of his neighbors wish he were rich enough to remain idle all the time, so that he might buy more. This idea naturally follows the supposition that wages are drawn from capital. This is entirely wrong.

*Wages are paid from the product of labor, and labor is extremely fortunate if it receives a fair share of that.* Farmer Green's legal obligation to his neighbors may allow him to become a dead load on society, but his moral and rational obligation is to labor with the rest, and return in kind for what he receives.

However, I will not attempt the discussion of capital and interest at this point, but reserve it for another place.

Meanwhile other events of interest are taking place. A mill is needed for sawing, and also for grinding. A good millwright has come to the place, and wishes to use the water-power of the river near the village. "Very well," says shrewd Farmer Jones, "Although the river is public property, yet you cannot develop and use the power without using some of my land, but as it is a public necessity I will allow you to build the necessary works and buildings. You may have the power free for ten years, provided you allow me to control the surplus power developed.

As the proposition seems fair, the miller proceeds to build the plant. He finds he can use only a small part of the power which may be developed, but as it costs him nothing he makes no objection. The miller now buys a town lot for his home,—the first sold so far.

Mr. Johnson, the merchant, has found it necessary to enlarge his store, and add a larger stock of goods. He also employs Farmer Smith's son as a clerk. His wife, who has been helping in the store, now attends to her household, and the children go to school. All seems prosperous and happy,

but it is noticed that Farmer Smith has a harder time than his neighbors. He and his family work longer hours and have less comfort than the others, in order to pay the interest on the \$1,000. The son works in the store instead of going to school, and the good wife does without a sewing machine this year. The needed repairs to the house also go over for lack of funds. But the farm is growing in value and no one complains.

The hitherto quiet life of "Jonesville" is now to be rudely shaken by an event which is destined to make an era in its industries, the economic result of which will receive the same fallacious and ignorant explanation as those which preceded it.

One pleasant morning, a brisk hustling Yankee by the name of Price, from the shoe district of Massachusetts, drove into town. He had heard of the idle water-power here, and also noted the facilities for a tannery.

He approached "Squire Jones" and laid his proposition before him, which was, to build a large shoe factory below the grist mill, using the surplus power. He explained that he would use one

hundred operatives in his works, many of whom would come from Massachusetts.

Squire Jones, having an eye to business and not being pushed for money, as his farm was largely under cultivation still, readily agreed to donate sufficient land for the new factory, also the use of the power for a few years, until the enterprise was "on its feet."

He also presented Mr. Price an elegant plot of land, near the mills, for his own residence, and in return was presented with five shares of stock in the new enterprise, that he might be identified with it. He was also commissioned to sell some of the stock of the concern to the more prosperous citizens of the community. (I introduce this feature of business because it is popular in organizing new enterprises.)

All the community are excited. Wages will be higher in the mill than on the farm. A home market and other necessary conveniences are assured, such as a hotel and a drug store. A railroad is even projected. Many of the more thrifty of the farmers subscribe to the stock. In due time the mill is built. Then the operatives begin to appear.

New streets are laid out and town lots 100x150 sell for more than several acres would have sold for two years before. Still it is the only thing to do unless the employees walked a long way. The price is not large, especially when compared with the price in other towns, and furthermore each one was confident that the town would grow and his own land become more valuable.

Squire Jones profited several thousand by the transaction, and still had nine-tenths of his land left. But as he had a legal title to the land, there seemed nothing wrong, besides each one had made a good trade and gotten value received.

They were more interested in their own affairs and in the dollars they hoped to make than in the dollars they were spending.

The factory was finally completed and operated. Shoes were turned out by marvelous machinery. Each workman had a special task. None knew how to complete a shoe, but the output was tremendous. In fact the average was nearly twenty pairs per day for each workman. The wages were not as high as had been expected, but the operatives, by tending a small garden patch and practicing

economy, were able to live comfortably. As the factory did not do repairing, our good old shoemaker, (whom I will call Uncle Richard), still plied his vocation as a cobbler.

One evening, as he was finishing his task for the day, Squire Jones dropped in, and, being now a man of wealth and leisure, began talking about the great advantages of machinery.

"You," said he, "can make but one pair of shoes per day at best, while by the aid of machinery twenty pairs are made and the finish is uniform."

Uncle Richard listened attentively and then, after a few minutes thoughtful silence, replied, "Yes, machinery is a great help in production, and is a necessary factor in our progress. But," he added, "machinery is only an increase of power, and power may be a bad as well as a good thing."

"I don't quite understand," said the Squire, "How can power be a bad thing?"

"A horse," replied Uncle Richard, "may draw the plow all day, or if not properly restrained, may run away and destroy both himself and the plow. An engine may perform useful work, or it may explode and spread destruction all around. Power

must be rightly controlled. Let us stop a minute and see where we are coming out. I make a pair of shoes. As I own my implements and stock, the shoes belong to me. While making them, I am wearing out shoes and clothing, am occupying a house, require three meals, support a family and assist in keeping up schools, roads and church. I also instruct young men in the art, and am an independent tradesman, and can go where I wish and open my shop.

You say the machine does as much as twenty such as I am. Then nineteen families are taken from society. The machine eats nothing, wears no clothes, occupies but a small fraction of a house, and has no obligation to society. The operative must come to the machine and work in connection with it and other machines, and finally he does not own the product of his own labor, but is practically a part of the machine. His wages are less than mine. The price of the shoe, quality considered, is about the same as mine.

Now, honor bright, Squire, so long as the financial benefit of the factory goes to the owner of the machines, where does the rest of society come in?"

The Squire was silent but thoughtful. He was an honest, well-meaning man, and in amassing his wealth, had done the same as any other man would have done, if in his place.

He, like the rest, remained ignorant of any moral wrong, as the law presumed to be just.

He had noticed the prospective profits of the new factory with pleasure, but had never thought of the operatives or society in connection with it. He had never heard of any other way to run a factory.

"Please bear in mind," resumed Uncle Richard, "that I am not opposed to machinery. It is the crowning glory of our civilization. But is there not something wrong when so much power and ingenuity benefits the owner alone? Is it right for free human beings to become practically a part of a machine, when the machine and its product are owned by another? Is it not industrial slavery? Between the operatives at the factory, and myself, I prefer to remain as I am."

"But," he continued, "I am thankful that the machines do not do cobbling and harness work,

else I might be forced into the factory as others have been."

Let us leave the factory for a little while, and direct our attention to the development of another branch of industry in our growing city.

At the beginning of the factory agitation, the good produce dealer, or as he is now called, "merchant," Mr. Johnson, was prosperous and happy.

His fair dealing had won the confidence of all, and their increasing ability to buy and also to sell had given him a comfortable business. True he had not gotten rich, as Squire Jones had, but he had a business built up which allowed him to pay his clerk a fair salary, and support himself and family as well as his neighbors did, so he was contented. But alas for human happiness under modern laws. With the coming of the factory operatives came also a wide-awake trader from Connecticut, named Whitcomb. He saw an opening and set up an opposition store across the street. Naturally he wanted as much trade as he could get, so he reduced the prices on several things to about cost. These prices being below those of Mr.

Johnson, the people began patronizing the new store. Something must be done and that at once. Johnson meets his prices and cuts on other things below him, and this in turn is met by Whitcomb. Neither men are making a cent, but each is game. Johnson discharges his clerk and has his wife help him. He also takes his oldest boy from school to assist in running errands. Family expenses are cut to the limits.

Whitcomb, being a single man, gives up his room at the hotel and sleeps on a cot in his office. He also gets part of his own meals out of his cracker barrel and canned stuffs. Both men now begin to be accused of giving light weight.

The sugars are dampened. The spices and coffee are adulterated. Both men buy in small quantities and work night and day. They are worn and haggard, trying to devise ways of destroying each other's business.

Yet both are good, law-abiding Christian men, and fully believe that "competition is the life of trade." Both have been giving their time and substance to the public freely, for the sole sake of

ruining each other, with the result that both had been brought to the very verge of ruin.

One morning, after a sleepless night, Whitcomb walked slowly over to the store of Johnson and accosted him as follows: "Neighbor Johnson, I have been thinking of late of the folly and uselessness of our mutual actions. I have come to the conclusion that we are destroying each other needlessly for the benefit of others. There is enough business here for us both. Why not work together instead of against each other?"

Johnson thankfully grasped the proffered hand and replied, "Whitcomb, you are right. *If competition is the life of trade, it is the death of the tradesmen. Competition is industrial Anarchy.* Let us form a partnership and combine our stocks. We will save the rent of one store, we can regulate prices on a fair basis; we can buy in larger quantities and for cash. We will have but one set of books, one delivery wagon, one store to heat and light, and we can take turns attending the store, so that each may have some time outside. My son can return to his studies, my wife to her home duties, and you can have a room at my house.

The next day the sign "Johnson & Whitcomb," was placed over the store, and the first capitalistic combine (or embryo trust) was formed in Jonesville.

I leave it to the reader which was right,—competition or co-operation?

Which is the most humane, industrial warfare with no prisoners, or mutual helpfulness? Which system is most conducive to carrying out the command, "Thou shalt love thy neighbor as thyself?" Which is nearest the Golden Rule?

Meanwhile, events of interest have happened at the factory. More money was needed to equip the plant and buy supplies. As no one was able to buy more stock, the concern had issued bonds for the amount. It was not generally known that a particular friend of Manager Price had purchased the bonds. It was rumored that the factory was not paying. Wages were reduced and to keep the men at work at the cut price a few were laid off, and it was hinted that a shut-down was possible. No dividends had as yet been paid, and now the interest on the bonds was defaulted. The crash came sooner than was expected. A receiver was appoint-

ed and the factory advertised to be sold. As the small stockholders were unable to buy it, their stock was practically valueless. The plant might not sell for enough to pay the bonds against it. As Squire Jones still owned the water-power and also the adjoining land, he was let into the deal on the ground floor. A new company was organized in the factory office late one night, and Price and Jones were the principal stockholders. When the receiver put the property up for sale, the above firm offered a small amount above the bonded indebtedness of the concern and the plant was struck off to them. The dear, good stockholders, who had been so cleverly relieved of their stock, of course, felt a pang of disappointment at the loss of their cherished investment, yet they were grateful to the "patriotic gentlemen" for voluntarily investing more money in a doubtful (?) enterprise for the "good of the community." Besides, they argued, if the factory could only be operated, the advance in value of their farms, due to it, would offset their loss of stock. They therefore forgot the past, returned to their labor and looked hopefully ahead. Messrs. Price and Jones were meanwhile patting each other

on the back and chuckling at the ease with which they had "cleaned up the public" and appropriated, legally, \$30,000 of its hard earnings.

The factory was at once put on full time and the order book rapidly filled up. Wages were advanced half way to the old figures, and all was prosperity and joy.

What a fortunate condition, (for the rich), that the masses should be so much interested in their own selfish schemes that they have no time to detect and punish the designing rascality of wealth.

An incident of importance had in the meantime occurred in another part of the community. Farmer Greene had discovered a ledge of limestone outcropping on his farm. Heretofore, lime for all building purposes had been hauled by wagons from Stonetown, nearly thirty miles away. The prospect of a lime-kiln in their midst was hailed with joy by the community. Farmer Greene at once built his kiln and soon had plenty of first-class lime. Now lime was selling at twenty-five cents per barrel at Stonetown, but the cost of hauling had made the price \$1.00 per barrel at Jonesville. The difference, of seventy-five cents per barrel, could now clearly

be saved. But owing to the quarry being on Greene's land, the lime belonged to him. He had a monopoly so far as Jonesville was concerned. He placed the price at ninety-five cents per barrel, and would sell for no less. He pointed out to his objecting neighbors that they were then saving five cents per barrel by buying of him, and also "building up a home industry."

Some few of the more public-spirited of the community refuse his extortion and still patronize the distant dealer, but the majority, of them accept Greene's reasoning and his prices. It is a little cheaper and after all they are a little better off than before.

What a blessing that limestone was to that community under private ownership of property.

Still Greene acted entirely within his legal rights, and the law professes to be just and right.

It is founded on the great Declaration of Independence, yet how in the name of common sense are all men to be equal in the "pursuit of happiness, when the essentials for that happiness are owned and monopolized by the few?"

But we must again return to the village. There

is more excitement. In fact our happy community has had but little tranquility and peace since Jonesville was begun.

The cause of the new excitement is the announcement that the famous New York store is to open a branch house in Jonesville. The people relish the outlook of a repetition of the Johnson-Whitcomb competition for business, and their own gains thereby. In due time the store was built and stocked, and the eager bargain hunters looked for the first cut in prices. But, lo, something else happened entirely different. Johnson & Whitcomb had been through the fight once and that sufficed. Union was far easier than destruction. A couple of hours conference with the manager of the New York store fixed it all up. But it would not do for the competition loving, bargain-hunting public to know it. So next day Johnson & Whitcomb cut prices on a few minor articles and the New York store did likewise on several others, while both raised on the necessities of life.

But the public was satisfied. There were always "fine bargains" in both stores, and they had the "privilege" of trading where they pleased.

There is nothing on earth like competition. (And for that we ought to be truly thankful.)

The years roll on and our town has become a small city. Squire Jones is now President of the National Bank and a wealthy man. His land rent for lots built on by others, and interest received on the money for lots sold, bring him in an enormous revenue. His developed water-power is also valuable. He still owns several acres inside the corporate limits, which, on account of not having yet been cut up into lots and sold, are assessed as farm lands. He also owns many vacant lots, but has never built anything for himself, has never employed any kind of labor or aided improvements, yet he is wealthy beyond the needs of avarice.

Another wealthy man is our manufacturer, Price. The factory has prospered since his almost sole ownership, but the regular methods are still too slow. The toilers at the machines do not furnish sufficient opportunity for his greed. The city paper prints a column article about the prosperity of the great enterprise. Last year it paid \$10,000 in dividends. The order book is full. The present owner desires to retire. A company is to be or-

ganized to buy the property. A part of the value of the plant will be subscribed by the present owner, and he will remain for an indefinite time and operate it.

Stock will be sold at par for the purpose. Apply at the Bank. The Bank has a liberal supply of the stock ready for the opening, and well it has, for the people want a good thing in interest-bearing securities. As the plant paid 10 per cent on \$100,000, that amount is soon sold, and with the part subscribed by the present owner, the new capital stock of the concern is \$150,000. On this amount the consuming public and the operatives are required to pay a dividend of over 6 per cent., while the actual value of the mill is but \$100,000. Mr. Price has cleaned up \$50,000 by the transaction and posterity can hold the bag and pay the dividends on the watered stock.

The operatives in the factory, feeling that they were in some way entitled to a share of the prosperity of the concern and being refused their demand for an advance in wages, struck. They were then coolly informed that the plant was only paying 6 per cent. on its stock, with nothing for repairs.

They then demanded a reduction in the stock to the actual value of the plant, but were politely told that that method would seriously injure many innocent purchasers who were poor people, and their stock represented their only savings. Presto, the nail had been driven home and clinched.

The discouraged, defeated employees, having still more sympathy for their fellows than hatred for the selfish greed of the "benefactors," returned sadly to the factory and were again "coupled to the machines."

Meanwhile, Mr. Price is taking a trip to Europe for his health, and his palace is receiving a new overhauling. Of what value would publicity be in this case? Yet it is typical of a large part of our present industrial organization.

We have now carried our embryo civilization far enough to illustrate the foundation principles by means of which society is separated into its classes. The private ownership of land and of machinery, or the implements of production, is shown to underlie much of our troubles.

The discussion of the more modern phase of these principles, together with others of less im-

portance will now be taken up in the abstract.

Let us first discuss the leading question of modern times, the organization of industry, both as it affects capital and labor,—i. e., Trusts and Labor Unions.

In any new country, or wherever there are an abundance of undeveloped resources, there is generally an approximate equality of wealth.

The implements of production are well distributed, and generally owned by the individual who operates them. The average product per capita is small, but equal distribution gives each an abundance. Opportunities being practically equal, the personality of the individual is given full play, and the product of his labor will be proportional to his ability. Virtue succeeds and vice fails. The premiums are justly awarded.

As time goes on and industry becomes more complex and differentiated; as several special lines of trade take the place formerly occupied by one; as land rents become higher and higher; as the implements of industry become owned more and more by the capitalists and less by the operative; social and economic conditions are bound to be changed.

Nor can this be avoided under our existing laws. In fact so far as the organization of capital and the specializing and systematizing of industry are concerned; it is highly important that it should be so. Progress depends on it and the sum total of production is vastly increased.

Under modern conditions, one man supplies shoes for 1,000 people; cloth for 300 people; bread for 150 people; or iron for 500 people.

*The possibilities for enjoyment are better and it is the fault of law if we do not get it.*

I have already shown the advantage of co-partnership over two competing concerns. The same reason will apply to the formation of a corporation by several firms engaged in the same line, with the further advantage to itself that the corporation, being a creature of law, has no conscience, and no personal obligations. The directors, under plea of protecting the interest of the stockholders, often do things that no private concern could do and prosper, and which they would individually not dare to do.

Yet, so long as it is the policy of the government to do as little as possible, and so long as in-

dividuals have not sufficient capital for great enterprises, the corporation is the only solution of the problem. Without them, we would have no railroads, steamships, telegraphs, express facilities, or industrial works of any size. Progress would be impossible beyond a certain place.

Individual enterprises must needs each have the expense of management, of advertising, etc., and usually a lack of working capital. When joined into a corporation, the expenses of management becomes proportionately less, business being done on a large scale can usually be done cheaper, materials can be bought at a better advantage, and a better knowledge and control of the entire field is obtained. Over-production can be better prevented, and foreign markets can be more effectually reached. Labor can be more highly specialized and made more productive. Moreover, capital has an opportunity for investment, which would be closed to it without the corporation. The trouble then lies not in the principle of corporations, but in the abuse of the principle and the further fact of limited ownership.

Corporations may be formed by several private

enterprises, or may be formed by two or more men or firms placing their capital in a common fund for a specific enterprise, yet to be established.

A trust, on the other hand, usually deals with firms and corporations already established, and simply seeks either to purchase a large portion of the existing enterprises outright, or to merge their interests, as to management, production, sales, etc.

There is nothing irrational in this principle.

*Competition is industrial warfare and waste.*

*Co-operation is industrial peace and economy.*

Competition could only be just among equals, and as I have before shown, our laws and social customs are bound to produce inequality as soon as society begins to organize. Furthermore, men have not equal talents, strength or character. Hence, we might well infer that, even were the laws just, and natural opportunities equal, still competition would soon tend to separate the strong from the weak. The stronger ones once getting an advantage would be doubly sure to hold it, while the weaker ones would become more helpless.

In all the civilizations of the past, under a variety of governments, and religions, with private or

corporate control of capital, the strong have been developed and the weak depressed.

Machinery and corporate power are only levers by means of which the rich rise more rapidly, and by which the poor are held in a more helpless industrial bondage. It remains to be seen how far the rich and poor can be separated before progress is stopped and decline takes its place.

Of course, where conditions of nature only exist, the inequalities of society will be localized and will never be so extreme. The world has never known of such colossal fortunes as have been amassed in a few years in America, by means of machinery and capital. Single men now control small armies of workmen in many lines of business, while many corporations hold the welfare of large communities in the hollow of their hands. Where once there were a hundred masters, now there is but one. Where once fifty men each owned an independent store, now one department store fills the want, and the fifty former proprietors are now salesmen in the departments. Where many independent lines of railways were operated a few years ago, now one line controls all, and the end

is not yet. Competition still goes on, and far above the humble worker.

In the counting rooms of millionaire stock holders and around the executive board tables, the fight is still intense. It is a battle royal of the leviathans of finance, with the inevitable result, greater consolidation.

The total concentration of wealth in the United States during the last ten years is almost incredible. That this enormous implement will be wielded with telling effect in the world competition for trade is obvious. Already the powers of Europe tremble, and well they may, for in the competition between nations, organizations and natural resources are bound to tell.

So far as total products are concerned, concentrated capital and organized energy are of prime importance in modern life. (See appendix as to R. R. vs. Farm earnings, per capita.) Without them, the sum total would be only a fraction of its present size.

The influence of machinery and organization on the production of wealth is best shown by the U. S. census returns.

In 1850, the total wealth of the U. S. was estimated at about 7 billions of dollars. About \$300 per capita.

In 1870 it had increased to 30 billions—\$780 per capita.

In 1880 it had increased to 43.6 billions—\$870 per capita.

In 1890 it had increased to 65 billions—\$1,036 per capita.

In 1900 it had increased to over 90 billions—\$1,200 per capita.

These figures are official and are as nearly correct as it is possible to get them.

They are significant in several ways. First, they show conclusively the effect of machinery on production of wealth.

During the period from 1850 to 1870, the reaper and mower, the sewing machine, the power loom, the railway, the telegraph; and numerous other important inventions were exploited on a scale hitherto unknown.

The increase of capital was over 400 per cent. While a large part of the total increase of the period was due to the settlement of hitherto worth-

less lands in central and western states, by our own people, probably no future period will show such a percentage development as this. We have here the combined production of machinery and the increase of land values. True, the total increase has been greater in the last twenty years, but the percentage of increase has not been exceeded.

Notwithstanding our per capita increase of wealth has been over 400 per cent in fifty years, poverty is on the increase, and a smaller percentage of people own their homes and business today than in 1850.

This we might reasonably infer also from the fact of the great fortunes already referred to.

It may be accepted as a principle of economics that when one man gets more than the average, some other man gets less. And, generally speaking, *when one man gets more than he earns, some other man earns more than he gets.*

It is true that the sum total of our multi-millionaires' wealth is not a majority of the grand total, but so far as active capital is concerned, their holdings are sufficient to dominate trade and general industry, and effectually exploit the masses.

The wealth invested in real estate is enormous and constitutes about 70 per cent of the whole, yet it is fixed, and, outside of taxes, 'does not enter into active competition in the business of the world.

While a few millions of dollars invested in some special line of manufacturing will all but monopolize that industry and send its product to the ends of the earth, the same amount would scarcely buy an acre of bare ground in many of our cities. Hence it is always well in studying statistics of totals to analyze the integral parts of it. Many politicians would have us believe that on account of the higher total wealth and per capita wealth that it necessarily follows that the common people are more prosperous, but that 'does not necessarily follow.

The total wealth of Rome at the beginning of its fall was enormous, in fact, the greatest it had ever been, and the per capita amount also the largest. Yet the unequal division of it made a few immensely wealthy and the many, paupers and slaves.

This is true in any city. The per capita wealth is high, still we find here millionaires and paupers side by side.

It is a fact of common observation that where society is the most highly developed, where machinery has reached its highest state of perfection, where land values are the highest and organization of industry the most complete, there you will always find the greatest poverty. Since every city in the world gives the same testimony, we cannot doubt it.

Is there then no hope for civilization? Must we helplessly read our epitaph on the ruins of past civilizations and make no effort to emancipate humanity? God forbid.

*The mistakes of the past are our richest heritage, if we rightly interpret and use them.*

Another set of statistics are often quoted to show the prosperity of the common people, and that is the deposits in the savings banks.

Now, while the total of the deposits is large and the number of depositors also large, the fact is that many of the individual deposits are for nearly the full amount allowed by law, while the greater number of the deposits are in small amounts.

The concentration of capital and the growing scarcity of safe investments, together with the constantly falling rate of interest, induces many com-

parative wealthy people to deposit their money in savings banks.

Another important source is that thousands of former independent tradesmen, who once put their earnings into their own enterprises, now that they are employees of others, deposit their savings in the banks.

Modern stock-jobbing, re-organizing and combining makes these securities precarious for the small investor. The large amount of water in our modern "Industrials" may well cause people to put their money where it is safe-guarded by all that law can give.

Large savings banks deposits may not mean prosperity for the masses, but rather a dread of the future and a lack of personal enterprise.

Still another set of statistics is often quoted to show our prosperity and that is the increase in general bank resources.

For the six years from Jan. 1895 to Jan. 1901, the increase in national bank resources was over 60 per cent. In other words it rose from \$3,422,000,000 to \$5,435,000,000, an increase of over \$2,000,000,000. At the same time private and state banks,

and loan and trust companies increased \$1,700,000,000. This accounts for nearly \$4,000,000,000 of the above \$15,000,000,000, total increase of wealth for the country during the time. A large proportion, surely.

This enormous amount of capital was forced into the channels of trade for the purpose, largely, of re-organizing our industries. Money that heretofore had been invested in fixed property and in individual enterprises, rapidly became mobile, and filled the vaults of the banks.

Now, it is a well-established fact that when wealth is well distributed, banks have difficulty in keeping their necessary reserve. There is always a good demand for money where there is individual enterprise. Note this fact in all new countries.

As wealth concentrates, it has a double reason for seeking bank vaults. First, the few have vastly more than they need, and secondly, the employee, having no enterprise of his own to absorb his savings, naturally turns to the savings bank. During the past few years, enormous sums have been required to effect the consolidation of industries. It is evident, I think, from this that large bank re-

sources do not necessarily mean an increase of wealth, or prosperity, for the masses. In reality, it may mean the reverse.

Referring to the total wealth of the U. S. in 1900, as found approximately, 90 billions of dollars, and the per capita, \$1,200, and in connection therewith the generally accepted estimate of the wealth of Messrs. Carnegie and Rockefeller as being \$500,000,000 each, I am constrained to do a little figuring.. (Rockefeller is now reputed to be worth near \$1,000,000,000.)

If these two individuals control \$1,000,000,000 out of the \$90,000,000,000, then it follows that 833,333 men have been pauperized for their benefit. There is no other possible way. For every man who is worth a million, 833 men must give up all.

True, our statistics do not show so large a number of paupers, and the reason is evident. Double this number of men lose one-half of their per capita, or a much larger number lose a lesser per cent of it and still maintain a wretched existence by means of their labors. A laboring man without capital is a helpless object. He can be little more than a part of the machine he uses, and must glad-

ly surrender all his energies for a bare existence.

Think of the condition existing in a free country, of two individuals pauperizing nearly a million people, in order to satisfy their avaricious greed. We are obliged to turn back to ancient history for such a parallel.

Will libraries and universities, useful as they are, compensate this million of people for the sacrifice of that capital which means an independent business and a home? I think not. Nor is this all. These poor creatures and their posterity forever must be loaded with the burden of the annual interest on the enormous sum, and the end is not yet. Still these multi-millionaires pose before the world as models of Christianity. They are doing as they would be done by? They are trying earnestly to have "Thy will be done on earth as it is in Heaven?" What a glorious object lesson for any intelligent child, viewed from either a theological or a financial standpoint.

Now, I do not wish to be at all personal in this matter. I have used the names of these two gentlemen as types of our excessively rich. Personally, they are not bad men. Quite on the contrary.

They have often shown the human heart within, and labored earnestly to do some good to their suffering fellow men. They are the result of a wrong social system and of unjust laws. They and the pauperized million are the effect and not the cause.

Being human they have only done what every other man would have gladly done under present conditions, if opportunity and ability permitted.

It is estimated by conservative men that 5,000 men to-day control over one-half of the wealth of the United States. This means that the real per capita, outside of our excessively rich, is less than \$600.

In 1850, there were no millionaires, the per capita was \$308. While our total wealth has increased from 7 to 90 billions, the actual per capita of the masses has but doubled.

Is there no lesson in this?

Statistics show that the concentration is being rapidly accelerated by means of perfected machinery, land rents and the organization of industry. Where will it end?

It should also be remembered that so long as our present property laws obtain, that it is all but use-

less to fight corporations and trusts. If the individual is unlimited in possessing wealth, it will only necessitate a change in the form of securities from corporation stock to individual bonds, in order to carry on any trust.

Is there no better way? The child nurses a pet cub and tenderly cares for it until finally it becomes a powerful, savage beast and at last destroys its benefactor. Is it not time our "Cub" was killed?

It is unfortunate that our census does not investigate more thoroughly the economic and social features of our civilization.

That it does not is mainly for two reasons. First, the general ignorance of the necessity for such action, and secondly, the desire of the wealthy to suppress the real conditions of labor.

Investigations have recently been made as to the home-owning of American people, with this result: Over 50 per cent live in rented property, more than one-half of the balance live in mortgaged homes, while less than one-fourth of our people own the roof that covers their heads.

This startling fact is the more significant in connection with the millions of homes given away by

the government during the past half century, and the further fact that each family of five persons should have \$6,000, clear of all indebtedness, as per the per capita of the last returns.

If such conditions can be brought about in so short a time, how long will it take to pauperize a large portion of our people. It is true that capital will not allow labor to be so poorly paid that it can not get some return from it. There is no profit in a public pauper. On the contrary there is absolute expense to support him. Hence capital must allow labor enough for self support and to consume a part of what capital has to sell.

That we are fast becoming a nation of wage-earners, no reasonable person will deny, and our great middle class is rapidly disappearing.

Capital can exploit labor easier through the channels of manufacture and transportation, than through landlordism in agriculture.

This accounts for our farm lands being so long left in the hands of small owners and the tenant system of other countries not established here. Landlordism has only been developed in our cities as yet, but let the opportunities for manufacture

and transportation be monopolized, and the capital of the wealthy will at once seek farm lands for general investment. This has been done in other countries long ago, and would have been done here but for the rich field opened up by our inventors, mechanics and engineers.

I have already described the formation of a partnership by two independent business men, and pointed out the wisdom of the union.

I have also shown the next step in economic organization of industry, vs. the formation of a corporation, and have described the necessity for combining capital in order to carry on great enterprises.

The same underlying force (competition) that impels partnership and demands a corporation, still acts when the corporation has a competitor, and a union of corporations, or a trust, is the logical result.

One of these steps is just as rational as the other, and no power, under our present social organization, could prevent it. The trust has within it a greater power for good than a corporation. Economically, it is the acme of perfection in business.

It is more economical in administration, and has a better opportunity of knowing the supply and demand of the market. There is less waste, less risk, and if rightly managed for the general good, better wages can be paid, better goods produced, and the product sold cheaper than under competition of individual concerns.

The fact that trusts do not generally do all of these things is not the fault of the trust, but of the management of it. In other words, the making of the organization a machine to enrich the few directors of it at the expense of both employees and the consuming public.

The true remedy lies, not in destroying the trust, but in its proper control.

With all the recent hullaboo about trusts and mergers, and with some of our foremost men claiming much good and little evil from them, while other equally prominent men claim the reverse, it is difficult for the average man to get a rational view of the question.

We often get the clearest view of an abstract problem by comparison with some familiar phenomenon of every day life.

There is, it seems to me, a peculiar similiarity between the human body, and the body politic. If the human body is disorganized, disease follows. If any part is not properly nourished, it becomes weak. If any part becomes unduly stimulated or irritated, it calls an extra amount of the life blood and force to that place. If the blood is impure from bad food and unsanitary surroundings, the impurity may produce fatal diseases, or it may be thrown off as in boils.

Thus it is with the body politic.

When production and distribution are disorganized, the body politic is sick, i. e. hard times.

If any industry is neglected, it declines, as did our shipping industry during the great development of our Western States.

If any particular industry becomes over-prominent, as mineral fields and oil fields, and undue amount of capital flows there, and an inevitable reaction follows.

When our industrial system becomes corrupted by selfishness and poisoned by competition, then the trust acts as a safety valve, as a boil, to give relief. The boil may be painful, but it is better than

the effect of the poison continuing in the system. So the trust, which the boil on the body politic, may cause us much annoyance, to get rid of it, yet it is better than periodic hard times.

Now the question naturally arises, are the boils necessary to human existence? Evidently, if the body is perfectly normal and healthy, they are not, for they are then absent.

If our industrial life can be properly organized, I believe that trusts and corporations can be also eliminated from the body politic.

As the normal, natural condition of the human body is health, so also the natural condition of the body politic should be that of health, prosperity and peace. All parts should work in harmony for the good of the whole body. No part should absorb more than its share of the life force and none should be neglected. Now, no intelligent person would be contented with the poulticing of this boil, neither would he condemn the eruption of poisonous matter, but he would use the boil as an index of a trouble, deeper-seated and more dangerous.

He might use some remedy for temporary relief, but he would at once begin a course of treat-

ment to purify his blood. Nay, the skillful physician would do more than this. He would look to the sanitary surroundings of his patient, and see that the causes of impure blood were removed. In that way, only, could the trouble be eradicated with certainty and permanency.

So it is, I think, with the trusts, the eruptions on the body politic. They indicate that something is wrong in the industrial system.. While we may find it necessary, temporarily, to apply local remedies for relief from their extortion and oppression, we must look deeper into economic science for the cause and permanent cure.

Our trouble permeates all our social system, and is of long standing. It is a combination of ills, the chief of which is competition in business, due to private ownership of property and individual initiative.

These have been brought on by the unsanitary environment of human selfishness and love of power.

Any remedy that has any hope of permanency, or real effectiveness, must keep this end in view.

That the successful application of an efficient

remedy will be a slow and somewhat difficult process, I am free to admit, but that it is impossible, I emphatically deny.

We hear much nowadays, relative to the control of trusts, and it bids fair to become a leading question in national politics. Trusts or the concentration of capital and the organization of labor along any line are the rational result of private capitalism and competition. They can no more be eliminated than can partnership or the specializing of labor. They are but one phase of economic evolution. Neither can they be legally controlled, without changing our fundamental laws regarding private capital, and individual initiative. As regards publicity, it would be difficult to get or to use any more information than we already have in the government reports and the press. We know that capital is receiving much more than a reasonable share of the product of enterprise, and is exploiting labor, both as producer and consumer. We know that the capital engaged in manufacturing by trusts averages about one-half water. Yet so long as it pays good dividends the stock will sell, and no one can prohibit it. There is virtually no differ-

ence between watering stock, as it is done by the steel trust, and in raising the market price of limited issues, as is done by the Standard Oil Company. The dividends govern it in both cases, and the loss to the investor would be the same by a decline. Publicity, such as corporations would allow, would serve to help the investing capitalist only, and he seems amply able to care for himself now.

Then again, any law that would effectually limit or decrease the dividends of any corporation would only serve to change the the form of the holdings from corporate stocks to private bonds. We now have hundreds of individuals who are able to buy many of our trusts outright, or in any event, could easily give personal bonds to the present owners for their stock. It would require only a change in the form of the paper, and New Jersey would undoubtedly legalize the change if necessary. This would bring the matter back to first principles, and no remedy would avail, because, limiting the amount of private property in any one case would prevent any great enterprise and block progress. It is probable that our capitalists will seek to gain time by discus-

sion, and that our people will get wisdom in this, as in other matters, only by mistakes and painful experience. In the end, however, it will surely be found that we will either destroy our own industrial and political institutions, by a revolution, or, if properly enlightened, will select the better way of allowing labor to own the implements of production, through collective or governmental control of all industries.

## CHAPTER II.

HISTORY OF ECONOMICS AND AN INTERPRETATION  
OF ITS MODERN DEVELOPMENT.

Oh, sometimes gleams upon our sight,  
Through present wrong, the eternal right:  
And step by step, since time began  
We see the steady gain of man.

The student of history is accustomed to filling his head with a record of dates, battles and political rulers. These have long constituted history. The people, their ideals and the thought of the times, the real forces of civilization, are entirely ignored. Hence it is easier to understand why the people of one civilization have never inquired into the cause of the decay of their predecessors. The laws and customs of former nations were, to a large extent, copied by the new. Their errors were appropriated along with their best achievements. They may have changed the forms of their religion or of political government, but the funda-

mental principles of law as related to property, they never did change. The earliest historic times are filled with accounts of individual properties and the transfer of same. Oftentimes the property was held collectively but never as the heritage of the people. The king or other ruler treated the whole of his subjects and property as private chattels. The development of liberty has been slow and painful, yet it has made much progress. That the cause of the decline and decay of civilization was never investigated by their successors is evident from the fact that each succeeding civilization contained the same destructive elements in its organization, while employing various systems of government and religion.

Let us briefly trace the history of civilization from Egyptian times to the present and endeavor to find, if possible, a rational solution to its rise and fall.

The Egyptians were, in many respects, a wonderful people. Perhaps no other, save the Chinese, ever kept their nation intact so long. The government of the Egyptians was always an absolute monarchy. Their temples and tombs of royalty are

still the wonder and admiration of the world. The knowledge they gained in some branches of science and mathematics is the foundation of our knowledge of those subjects to-day. Their artisans were skilled in many lines. Their abilities, however, did not extend to complicated machines and we find everywhere the work performed by sheer human labor, with little attempt to harness the forces of nature. As they were limited in their industrial operations to what could be done by hand, no great accumulation of wealth was possible, save by the kings, who held many thousands of their subjects as personal slaves, and also had the power to tax the rest.

Their intellectual life was much obscured and limited by a gloomy religion. Selfishness seems to have been a marked characteristic of the rulers. No expense was spared to provide them palaces and tombs while the masses were left to shift for themselves.

Progress was necessarily slow, hence it is difficult to state the time of the beginning of the decline in their civilization. It is certain, however, that the people became oppressed and that the more

courageous of them left their native valley for the isles across the Mediterranean. Here they joined with other eastern people who had also fled from oppression, and then, for the first time in history, we see the process of the rise of a civilization.

The early Greeks were, for the most part, either mountaineers or sailors. The topography of the country prevented road building and communication was largely by boats. The people were independent and liberty-loving, to a marked degree. Great cities were few and wealth was well distributed. The growth of a national patriotism was rapid. As there were but few cities and no considerable amount of machinery in use, the concentration of wealth was slow. But ere long the merchant and the favored land-holder forged ahead and noblemen and slaves were the result. The masses, however, were not soon reduced by these means and probably that fact served, in a way, to prolong the national life.

Then, too, their ideals, (beauty and freedom,) were not conducive to the accumulation of personal wealth. Their great men were first architects, sculptors, philosophers, poets and warriors, and the

accumulation of wealth was a secondary consideration. As time rolled on, the inheritance of power and wealth began to tell on the nobility by making them more effeminate, at the same time the poor became more ignorant and oppressed. The more enterprising of the poor, who could do so, left the country for other lands, where opportunity was more equal. Her architects and builders, sculptors and other artisans went west and assisted in building the Roman world. Their work still permeates and adorns the ruins of Roman glory and our modern renaissance is but a copy of their combined effort. With effeminate wealth, and degraded labor, even Greece could not survive.

New civilizations are not generally drawn from any one source.

They are, however, always begun by the poor of every country. Poverty, not wealth, is what clears the forests and breaks the prairie. Wealth follows only where physical comforts are assured. Thus we see the great Roman Empire begun by the farmer, on the plains of Italy.

Certain conditions of their environment caused the Romans to become a war-like people and mili-

tary glory to be their ideal of life. They were more or less surrounded by semi-civilized and barbaric tribes, whose animal instinct caused them to continually seek existence by plundering weaker and more defenseless people. Rome itself was founded as an out-post to guard the frontier of the Italians against the Etruscans. I will not attempt a consecutive history of either the Greeks or Romans, but rather outline the cause of the rise and fall of their nations.

So long as Rome was engaged in building up her empire, so long as her ideal was national glory, her wealth, although enormous, was not private. Her great buildings were for the people. Her coliseum, theatres, baths, forum, pantheon and engineering works were for the general public, while even the noblemen of the empire lived plainly.

But ere long the day came when private selfishness overcame patriotism. Shrewd politicians found that intrigue and bribery could obtain the coveted positions which formerly had to be won by valor on the field of battle. The economic laws which had hitherto been deemed just and right were now used in a new way to oppress the poor

for the benefit of the rich. *Inherited wealth or power is not conducive to effort, and lack of effort always begets weakness and degradation.*

When the leaders become corrupt, it is but natural that the populace should follow their example. With high ideals, replaced by selfishness, there is little to hope for. The pretorian guard, the successor to the grandest military force on earth, at first became the tool of the conspirators and then the implement of national destruction.

What an object lesson for modern politicians ! How long will it be safe to buy public office and power with gold? Rome rose and fell. Historians may assign various causes and draw different conclusions; the pulpit may ascribe the effects to religious matters and the politician to the forms of government, but one fact stares us in the face and that is, that so long as wealth remained either well distributed or was nationalized, Rome prospered. When that wealth became private property and was more and more concentrated, Rome fell. How far the ideals of the people influenced this result, or were influenced by it, I leave the reader to judge. Sure it is, however, that these conditions are always

found in the growth and in the decay of all civilizations. Furthermore, where they have not taken place, civilization has remained stationary. Civilization may be apparently progressive during the early stages of concentration of wealth, but the time soon comes when the class distinction, due to wealth, begins to tell on the ideals of the people and decline ensues.

The civilization of western Europe sprang from many sources. The influence of Rome, at her best, went a long way toward forming their laws and customs. During the dark ages, there was but little surplus wealth and that was held by either the royalty or the church.

Private fortunes were unknown. The insecurity of wealth, on one hand, and the religious ideals on the other, made its accumulation difficult and undesirable to a large extent. The church favored poverty and ignorance, as the best means of gaining her own ends. The oppression and degradation of the masses precluded progress or even decent living. This union of the church and state, for the expropriation of the masses is the central feature of the dark ages. Grand palaces and chat-

eaux, on the one hand, and magnificent cathedrals, monasteries and abbies, on the other, were the price paid by the people for protection of a miserable life on earth and the hope of a better one beyond the tomb. Wars, political and religious, constantly absorbed the energies and resources of the people. Their ideal was religious faith in the life to come. The people did not think, they believed. To ask questions was blasphemy; to investigate was heresy; to oppose was treason. There was but little of civilization at the beginning of the dark ages, except the dying embers of corrupt Rome, and that was quickly absorbed by the church. It is true that there was no appreciable progress, until after the Reformation, or revival of free thought. The people had no political, religious or industrial liberty, and furthermore, were densely ignorant. There was no rise of civilization, hence no decline.

The Reformation brought a change. Freedom of thought, along religious lines, came first. Individualism was born anew, but with it came the resurrection of the old Roman laws of private ownership of property. The arts and sciences being practically in their infancy, there was but little

machinery or commerce, hence agriculture was the chief resource of the people. Those nearest the royalty sought favors of large land grants and all royal personages held immense tracts of the best lands. It was readily perceived that by landlordism the people could be as easily exploited as by virtually owning them. This was the beginning of the nobility of the countries of western Europe. How well it was planned is evidenced by its effects even to-day. Large families have lived in opulence and luxury ever since, on the rent of land, the title to which they assume by the authority of the king, while the millions of their tenants toil in poverty and misery in order to pay the rent. This is well illustrated by the condition of sorrowing Ireland.

We would rebel at such a situation in America, yet so far as the tenants are concerned, it matters but little whether there be one landlord or many, so long as the same rent has to be paid, and a very large majority of our own people are tenants. We have this advantage, however, that as we have relatively many landlords, the wealth is more distributed, and the tendency to class distinction, so

far as landlordism is concerned, is as yet greatly lessened.

As time went on, the oppression due to landlordism and also the religious persecution of the church, caused many of the poor, but energetic, of western Europe to immigrate across the sea where land was free and thought untrammelled. Strange as it often seems to the modern student, they brought along and firmly established here the same woes they fled from, namely, private ownership of property and fixed religious dogmas. The courage and fortitude of the Puritans would be a glorious page in all history, but for their narrow-minded selfishness and egotism. Their suffering resulted only in a change of masters, so far as religion was concerned and a perpetuation of industrial slavery for their posterity.

As the country about them became settled, and a town started, the location of the land commanded a value as rent and the more energetic of the poor pushed out into the western wilderness, where they might have all the fruits of their toil by having no rents to pay. This process has been repeated by decades until

the whole Mississippi valley and, latter, the valleys of the Pacific coast, have been brought under the plow. The march has ever been westward, and always by the oppressed tenants, seeking free land. Has this no meaning in economics? It seems to me it has the deepest significance and that a remedy for the evil must be speedily found. The westward march has stopped, because the shores of the Pacific have been reached, beyond which lies a country already over-populated. We can go no farther. Already the reaction is beginning to be felt and conditions of labor are rapidly approaching the standard of the old world. Favored locations command ever higher and higher rents. But as I have before noted, the great number and general distribution of our landlords causes this rent to be invested broadcast over the land, and so benefit all to a much larger extent than it does where there are a few landlords and they partly or wholly aliens.

Then, too, the rapid advance in farm machinery and in transportation, have allowed the tenant to keep ahead of the rent and still leave him a comfortable existence. Just how long this will continue,

it is difficult to say, but one thing is sure and that is, that *as population increases, rents will increase, and the part left to labor will be less and less, until the minimum amount for subsistence is reached.*

I have already shown how the ownership of machinery by another, deprives the operative of a part of the fruits of his toil, for the exclusive benefit of the owner of the machines. In agriculture, the tenant usually owns his tools, hence is not handicapped in that line. Even with this advantage and the benefits of local investments of the rents, the struggle is sufficiently acute to cause thousands of our people to leave home and kindred and all the conveniences and pleasures of civilization and rush like mad cattle to the opening of a few thousand acres of wild prairie. The recent opening of former Indian lands shows the condition that already exists in a part of the country, which less than thirty years ago was settled by homesteaders. Another illustration of this same condition is in the exodus of farmers from this same section to the Canadian northwest. Over twenty-five thousand have removed to this section in the first half of 1902. Cheaper land is given as their only reason

for changing. Surely the advantages gained must be great to offset the rigor of that frigid climate. These may be straws, but they show clearly the tendency of the wind.

But it is not in farm rents that the oppression is being felt most. The prices of city property are mounting to ever dizzier heights. Bare land in New York city has sold at the rate of more than \$23,000,000 per acre, and the enormous prices demanded for it have forced buildings twenty stories into the air in order to pay the land rent and a dividend, to the detriment and personal discomfort of the toiling thousands who occupy them. Think of the few people living or doing business upon an acre of such land paying \$1,380,000 out of their annual earnings for the privilege of occupying that location exclusive of the use of the buildings. This enormous amount, moreover, goes into the pockets of private individuals, who may have done nothing to give the land its value. Is it any wonder that an exorbitant price must be put upon their product in order for these tenants to live.

Our economic conditions and history reminds me of the fable of the lion and the hyena. The

lion was peacefully eating his supper one evening, and was priding himself on being the king of all beasts. None dare face him in combat. Suddenly an unearthly screech fell on his ears. He had never heard such a hideous sound before. He thought he knew all the animals of the plain and jungle by their cry, but this was far more blood-curdling than any he had yet heard. Again it sounded and nearer at hand, louder, longer and more terrible. He shook with fear. Surely this must be some new and terrible monster. If he remained in the open to fight, he might be destroyed and a new king of beasts be recognized. No, he would seek the jungle and watch for a better opportunity. He trotted away into the dark and kept well under the cover of trees and rocks. Ever and anon came the terrible cries of his pursuer, closer and closer, until he could hear its fiendish laugh between its cries of rage. The lion traveled far and fast over hills, across streams and swamps, and through gloomy forests, still pursued by his terrible enemy. At last he came to a narrow canyon, whose sides were too steep to scale. He crept to the farther end and slunk back into a recess in the

rocks. He could go farther. Again the fearful cry came close at hand. His fear now vanished, his native courage returned and he resolved to sell his life as dearly as possible. He faced squarely around and with a mighty roar he met his pursuer. He stood face to face with a cowering, trembling hyena. He stopped and thus soliloquised. "You miserable, skulking, dirty puppy. You have nearly scared the life out of me. I can kill a hundred such as you before breakfast, and here you have chased me many miles by your terrible noise. I will never again run until I am whipped." Saying which he laid low the miserable, trembling coyote, and made a meal of him.

Labor is the lion, which has been chased half way round the earth by the hyena of private capital. Its horrible and false cry, that labor lives only by its bounty, has caused the chill of terror to permeate the whole fabric of labor and frightened it from its native hearth. Labor has continually fled before capital, in search of some protection, or hoped-for advantage, until now it is brought to bay by a wail of Filipinos, Japanese and Chinese. Its native courage, due to its intelligence, is fast

replacing fear, and already it is turning in its might for the conflict. The organization of labor and the fierceness of its strikes means nothing else. Methinks that when labor once sees how insignificant and weak is its opponent it will marvel at its own timidity and bewail its former lack of courage. Surely, an institution founded on human selfishness, legalized because of its antiquity and enforced by a false sentiment, cannot be an invincible enemy to justice.

Yes, private capitalism and its resultant oppression, have forced labor from one country to another, half round the globe, within historic times. So long as there were undeveloped natural resources farther west, the process went on. The hope of labor to become the oppressor in the new field, assisted the operation, and gave courage to those at home to hold out the stronger.

The natural resources of the last country are already largely appropriated. There is nowhere else to go. This must be the battle field and here must the great questions of economic liberty be answered!

Private capital is concentrating and giving its

last war-cry in the hopes of longer keeping up the flight, but the lion is turning.

Organized labor, enlightened with truth and armed with justice, is meeting organized capital. The schools are putting an implement in the hands of labor that may well make capitalists shudder and seek homes back across the Atlantic. The persistent efforts of our millionaires to form alliances with the royalty and aristocracy of the old world are not without reasons. Private capitalism will meet its Waterloo in the United States, and class distinctions be leveled here before elsewhere. There are many reasons why this should be so. First among which is the superior intelligence of the masses. Probably no great country in the world has so many intelligent and well educated toilers as the United States. *Ignorance is the friend and accomplice of oppression. Intelligence is the handmaid of liberty and justice.* "Ye shall know the truth and the truth shall make you free."

Therefore, a rational solution is more likely to be found here than elsewhere.

Secondly, we have no large, well-defined social classes, no aristocracy due to heredity and but

little inherited wealth, so far. Most of our wealthy men have accumulated their own wealth and have been constant workers from childhood. This also means much, for any man who labors is more than apt to have his heart on the side of labor, or at least some sympathy with it. Already many of our wealthiest men are seeking for the better way in society and are alive to the injustice of many of our institutions and laws.

Thirdly, we have already broken two of the three fetters of human liberty, namely, political and religious oppression. We have tasted the sweets of liberty in both of these fields and found them good. There is left no organized ally to private capitalism and when the bugle calls on the battle for economic freedom, then for the first time in history will it stand trembling and alone, a miserable hyena, fit only for the contempt of labor.

Nor is there any present hope for improvement along the existing lines of economics. The inherent weakness of our form of government and also the growing ideals of wealth among our people, both preclude it. Our government is to-day at the beck and call of the capitalists. They furnish cam-

paign funds to elect their friends to office, and these friends let nothing deter them from executing their will. Our country was recently treated to the spectacle of seeing its President and also the governors of our two greatest states begging of half a dozen greedy capitalists that they would desist from freezing to death twenty-five millions of our people. I am not condemning the President and governors, far from it. They may have done there best, under the existing law. But I do deplore the laws under which such a condition can exist. It ought to be an object lesson to the masses and would be were it not for the fact that they are so intently engaged in keeping body and soul together and trying to emulate the coal barons.

Any republican form of government depends almost exclusively for its power upon the intelligence and sentiment of its people. Now, this sentiment is the outgrowth of ideals. The ideals of the Greeks were beauty and freedom; those of the Romans, military glory and power, while those of the dark ages were religious zeal and faith in the church. The ideals of the early colonists and also of the framers of our government were political

and religious liberty and equality. That these ideals still held sway forty years ago, is evidenced by the tremendous struggle to free the negroes from political bondage. That some part of these ideals still exists was shown by the enthusiasm for Cuban liberty at the beginning of the Spanish-American war.

*The love of liberty is still strong, but the full conception of the word is not yet appreciated.* During the last twenty-five years, our ideals have materially changed. We are beginning to worship the almighty dollar above all else. Considerations for struggling humanity are cast aside when wealth is menaced, and almost the entire energies of our people are applied to wealth getting. In fact, the competition for wealth has become so severe that the masses are kept busy to get enough to furnish a decent living. Our newspapers and periodicals continually teem with the accounts of our increased wealth, our growing commerce, balance of trade, and the doings of our millionaires. Our wealthy men, no matter by what means their wealth was accumulated, are pointed out to the children as models of success, which they are ex-

horted to emulate. Laws galore are passed for their pleasure, security and financial benefit. The speeches of the money kings are heard throughout the land and much deference is paid to their views on all questions, while the carefully studied words of our best scholars find scant publication and few readers. Wealth has become the standard and society is classified according to its bank account. Ancestry, ability, personal records, or present moral worth, count for but little against a surplus of dollars. Wealth is the virus that makes one immune from social ostracism.

In looking over the history of civilization one is struck with the following facts:

First. Where the accumulated wealth has been well distributed among or enjoyed by the masses of the people there has been rapid progress.

Second. Where the surplus has been held by the ruling class or the church, progress has been very slow or entirely checked.

Third. Where the wealth has been concentrated in private hands, civilization has declined. Is there no lesson in this for students of economics? Those who have the most leisure from physical

toil have the most time and energy to devote to mental culture. Hence, as a general rule, intelligence and wealth go hand in hand, and vice versa, ignorance and poverty are boon companions. Where the rulers control the accumulated wealth, they generally possess a superior intelligence to their subjects, but inasmuch as they hold their subjects as quasi property and realize that their own safety and prosperity depends on the contentment of their subjects, they seldom use the power of wealth to excessively oppress them. Their political authority relieves them of the necessity of the more tedious but not the less effective method. Their subjects are, for the most part, on an equality. They have no incentive or opportunity to better their conditions. They live in comparative comfort and their ignorance and the fixed condition of their lives precludes any ambition. Hence there is but little progress. The inventor does not spring from such a condition; educators are not wanted and reformers are provided with permanent accommodations behind iron bars.

When the accumulated wealth of the people is well distributed, intelligence will also be distribut-

ed. Every man is alert and active; invention is rife; investigation of all kinds goes on apace; ability and energy are the essentials of success and progress is rapid. The individual realizes the advantages which wealth can give in production and distribution. His own toil is lessened and his comforts increased. He has more time for intellectual development and schools and colleges are common and popular. Science and art join hands in harnessing the forces of nature and applying them to the wants of man. These are the conditions that have existed in the upbuilding of all great civilizations, and they have existed in most parts of the United States until recently. I do not deny that they exist now to a considerable degree, but I affirm that they are being rapidly superseded by very different conditions. Could opportunity always remain equal; could labor always reap the reward of its effort; could the ambition of superior abilities be held in check; we might hope for continued happiness even under the existing form of economic organization. But can these conditions be maintained? History says no, and experience proves her answer correct.

Already the opportunity of obtaining free land has practically passed away, and the poor of the country are annually required to pay a toll in the form of rent, out of the fruits of their labor, for the privilege of occupying space. This toll, going into private pockets makes opportunity at once unequal. Furthermore, the ownership of machinery by another often deprives the laborer of a considerable portion of his product. Our government, under existing law, is not competent to check the ambition of superior abilities. Under private ownership of capital there is no limit. The law must protect the millionaire, as well as the humble cottage owner. Since capital has the legal right to interest and since invested capital draws rent and dividends, there is no limit to its increase in time, save the ability of labor to pay those tributes and still live, yet our ability to produce is always limited by natural resources.

Our accumulation of wealth has increased over twelve-fold in half a century. Should it continue at the same rate, how long will it be before the labor of the country will be unable to pay the rent, interest and dividends of accumulated capital es-

pecially when they are largely deprived of the advantages of that capital. Already interest rates are beginning to fall and few there are who suspect the real cause. Already the burden, if all our wealth drew interest at 6 per cent, amounts to \$72 per year for every man, woman and child in our country. In 1850, it was but \$18. Our per capita tax for national government alone has raised from fifty cents to seven dollars in less than a century. That the masses of our people are poor is not surprising. Let the average father take out the above \$79 for each of his family of five, or \$395 and then begin to live, pay for all provisions, fuel, clothes, taxes, rents, doctor's bills, etc., and his savings bank account will be small indeed.

As I have before noted, the ideals of a people determine to a large extent, their character. If their ideals be noble and unselfish, the people will be patriotic and humane. Their laws will be framed for justice, tempered with mercy, and their every act filled with sympathy and brotherly love. On the other hand, if the ideals be selfish in their motives, the people soon lose respect for all that is good in society, government and religion. The individ-

ual absorbs the energy that should be given to collective humanity, and the great benefits accruing to organized society are lost to the masses. The few eventually become economic lords, and the many slaves. That we are well started on this road, I believe all fair-minded people will admit, but that our general intelligence and love of right will prevent us from going much further along this road, many of us are optimistic enough to hope. Action is a national characteristic of the American people, and once the real cause of our troubles is discovered and the best remedy generally agreed upon, the end of economic oppression will be near.

Our government is but the result of a sentiment, and that sentiment is the child of our ideals of political liberty and equality. At the time of its inception, our forefathers were ignorant of such a thing as industrial slavery. Every man owned the simple implements with which he worked, hence was able to direct his labor and own the product of it. Undeveloped natural resources lay all around and were to be had for the taking. There were no idle rich and no aristocracy of wealth to live off from the fruits of labor. The only oppression they

knew was either political or religious. These they wisely provided for in our fundamental laws. Shall not we prove ourselves worthy sons and by the necessary changes in those laws, add economic liberty also?

It was because of their total ignorance of the economic conditions which now prevail that they preferred to limit the powers of government to keeping order and of protecting life and property. Our government has always been extremely limited in its functions. Outside of the mail service and a limited amount of river and harbor work, and one or two navy yards and gunshops, our government, until recently at least, has never done anything of importance along material lines. All of our great industries are private enterprises. The most intelligent men along all lines have been in the employ of private concerns. Our leading scientists, engineers, financiers, etc., have seldom been employed by the government, until very recent times. While other governments have forged ahead and directly or indirectly developed great industries for their people, the United States has been contented with its mail service. Slowly, but

surely, we are realizing our error, and our last Congress has finally been forced to pass appropriations for the Panama Canal. The aid given to private railway corporations by the government would, if properly managed, often have built the line and the people could have reaped the benefits, which went into private pockets. Between the incompetency of politicians to manage business affairs, and the fear of lobbyists, the more conservative statesmen have opposed public enterprises.

The strength of lobbies is really a menace to our form of government. Their methods are beyond control and their resources are generally unlimited. They are rapidly becoming a pretorian guard and every legislator is made to feel the power of the "third house." The peculiar adaptability of our form of government to the purposes of the capitalists has long been realized by them. Laws favorable to capital and really against labor are plentifully found in both national and state statutes. Some states have gone to the limits of their constitutional authority in the matter of organizing or assisting in the organization of capital. By owning

or controlling the press of the country, a systematic effort is kept up in behalf of capital and sentiment is formed and fostered to further the political machines and parties known to favor their schemes. What this method, combined with liberal campaign funds, to corrupt the polls, fails to accomplish, is turned over to the lobbyist to finish. Between the selfish greed of our average politician and the condition above cited, the laboring men, although in the majority have but little to hope for unless united and organized. A king would exert himself to protect and aid his laborers, as a matter of self-interest. The temporary office-holder has no such incentive, and moreover, he is often poor in purse, as well as in moral courage.

Deceit is here always at a premium, and the member who can the most completely hoodwink his constituents and at the same time fill his own pocket, is accounted the most successful. Is it any wonder then, that many of our leading men eschew politics? This, again, is against the interest of the laborer, and in favor of the designing capitalists. Capital has long since recognized its opportunity and improved it, as is evidenced by the great ag-

gregation of wealth in a few private hands. Capitalists and their hirelings in politics say that our present laws and forms are good enough as they are. From their point of view, there is little reason to doubt the assertion. But how about the toiling millions? At the present time, with the aid of improved machinery and organized industry, the average production per capita is many times what it was one hundred years ago. What part of this has accrued to labor? How much have the hours of labor been shortened? Except where unions have forced the shorter day, the shop whistles still call for a ten hour stint of hard labor. Has labor received its just share of the benefits? I think not. The fact that this great injustice has been allowed to develop and is allowed to continue is due to the general ignorance of the nature of it. *Economic liberty is a new term to most people, but economic slavery is not a new condition to many of them.* Outside of the lately developed weakness, due to wealth, our government and laws have given us a fair degree of political and religious liberty. The time has now arrived in the history of the world when liberty must take on her full trinity of mean-

ing, and mankind be emancipated in truth. Of what use is political and religious freedom to the pauper? The negroes of the former slave states are to-day suffering in an industrial bondage which, in many ways, is more galling to them than their former condition. Responsibility has come to them in the matter of self-support and caring for a family without having the resources to meet that obligation. The result might easily be predicted. The masses of them are hopelessly poor and ignorant, and fewer and fewer of them are even skilled in mechanics. Their ability to do something useful is declining and industrial slavery is the inevitable result. The remark is frequently heard from the former slave owners that it is cheaper to hire a slave than it was to own him. This form of slavery is doubly oppressive, because the victim has the additional load of responsibility to carry, and he also has always the idea that he is a free man and in some ways the equal of any one. Moreover, he voluntarily seeks his labor and is grateful for it. Yet he will in all probability be angry with you, if you suggest that he is a slave.

The tendency to follow in the foot-prints of

others is extremely strong and we worship at the shrine of antiquity, simply because our fathers did so before us. We adopt laws and customs without reason and cling to them with great tenacity. Ideals change slowly, if at all. Our mistakes in this line have to be glaring and oft-repeated before we make any radical change. The gradual change in ideals in this country, and also in Europe, during the last half century, is in some measure responsible for the acceleration in wealth-getting. The progress made during that time has been almost exclusively along the line of physical power, our development and application. The period has scarcely produced a great statesman, poet, historian or author and but few scientists who compare with Darwin, Newton, Kepler, Humbolt and Franklin. But no period in the world's history can compare with the last half century in its production of inventors, manufacturers, engineers and financiers. All this is significant and it ought to teach us that we are in a changed atmosphere and need new laws and customs to meet the new conditions. Is it not time to stop following the wasteful, tortuous calf

paths of the past and cut a broad, straight road for humanity to travel over?

Nor is it necessary, in order that the change be brought about, that there be war and bloodshed. Wars are the results of changes, not the cause. A change in the ideals and sentiments of the people will accomplish great results, whether wars occur or not. Our forefathers fought for seven long years to establish political independence from England, yet the governments of Canada and Australia are as liberal to-day as our own, and our Canadian friends prefer to keep their own institutions and pay a heavy tariff duty on their commerce with us, rather than be annexed.

The ultimate object of the great rebellion was to give political freedom to the negroes of the southern states, yet within twenty-five years all civilized countries abolished slavery of their own accord, in response to the popular sentiment against it. Wars usually create bitter prejudices which are but obstacles in the way of enlightened conviction. The great forces of the world are moral, not physical. The intellectual side of life will ultimately predominate. Evolution is along this line. The

great physical giants belong to the past, and the modern successor uses brains instead of brute force. Intelligence rules the world to-day more than ever before, and the days of armies and navies are numbered. With economic liberty will come the grand ideal of the brotherhood of man. Human selfishness will no longer command a premium and the way will be clear for a grander and nobler intellectual life.

## CHAPTER III.

THE ECONOMIC FEATURES OF COLLECTIVE  
OWNERSHIP.

One of the most significant facts revealed by our census returns is the enormous increase in productivity of labor under modern conditions. Complicated and powerful machinery and highly organized and systematized industry are the prime factors of this increase. Even with out reputed extravagance in living and a constant accession of pauper emigration, we have increased our total wealth per capita four hundred per cent in fifty years, and the grand total from seven to ninety billions of dollars. No country, or similar period in history, can record such a result. From 1870 to 1900, the increase was sixty billions, nearly one-half of which was due to the last decade. The past ten years have also witnessed the greatest organization of industry and application of machinery. Perhaps no better single illustration of the power of organized capital in production can be given than that shown by

the census returns regarding the per capita value of farm products and those of railway earnings. There are about 5,740,000 farms in the United States and the gross product in 1899, was \$3,705,000,000. Now, each farm employs, on an average, two laborers. This would give for each one a product of \$323 a year. The railroads earned last year, \$1,700,000,000, and employed about 800,000 men. This is an average of \$2,125 per man, a result nearly seven times as great as that produced by the farm laborer. This, too, notwithstanding the interest on the capital employed in each case would account for but a part of the discrepancy. A general average of the product of all manufacturing per capita, is about \$1,000 per annum, and the capital so employed is about one-half that of the farmer. These results show the superior productive power of thoroughly organized capital and labor. Is it not time we organized agriculture as well as railroads?

Yet another fact is suggested by the above figures and our own observation, and that is, that the railroad employee lives no better and has no more of life's comforts than the farmer. In fact, his

wages are less than the farmer's, considering house rent, fuel, etc. Of what value is capital to the wage earner who employs it only for some one else? Is there no relation between the statistics above quoted? I believe it is patent to everyone that so far as economy in production and distribution goes, corporations and trusts are a good thing. If not, capitalists would not be so persistent in organizing them. Organization of industry is not a theory, it is a fact and the results confront us in forms too plain to be mistaken. That it is in the interest of economy is evident; that it is dangerous to the welfare of the masses is clearly due to something else than its economic character.

It is the duty of the present to analyze great questions, to recognize and retain the good and reject the bad. Posterity rightly demands this much of us in return for what we have received from the past. If one machine is better than another, we should retain the better one. If there are defects in the best we can get, let us seek to remedy the defects and not condemn the entire machine. The machine is not to blame.

The ignorance of labor often incites it to destroy

or circumscribe labor-saving machinery, as was evinced by the opposition to self-binding reapers and later to the linotype printing machines. Laborers, for the most part, at least, have realized their error. A large part of the laboring people of to-day are loudly condemning trusts and some even decry capital and long for frontier primitiveness and poverty. This also shows a lack of conscientious study of the social and economic problems of the day. Reason should teach us to appropriate the good features of trusts and destroy the bad ones. If organization of industry and concentration of wealth for specific ends are found more efficient than individual enterprises under competition, then let us adopt the former method of production and develop it to its limits, by concentrating all the wealth and systematizing all industries. On the other hand, if this system has the defects complained of, then eliminates those defects by making the property thus centralized the common heritage of all the people, not to own as individuals as so much per capita, but to have an equal interest in its use and product. *Our accumulated wealth should be a heritage to all our pos-*

*terity forever. Its use ought to belong equally to all of us.*

It is argued by capitalists that poverty is largely the result of extravagant living. It is true that our standard of living is higher than it generally is in frontier settlements and in some foreign countries. Society, especially educated, progressive society, demands a reasonable amount of comfort and a few diversions. That much money is annually squandered for necessary things, no one doubts, but that this amount, great as it may be, is any large per cent. of the total waste due to our economic system, I deny, and hope to prove.

Having been reared under our present system, we do not realize our follies, nor appreciate our losses due to them. Before going into the details of these several means of wasting our substance, it may be well to briefly describe the conditions which would exist under the collective ownership of property and direction of industry.

First. The collective ownership and national control of all property save the necessary personal belongings of each individual or family group.

Second. The exclusive conduct by the nation

of all industry bearing on the production and distribution of wealth.

Third. The requisition of a specified amount of labor by each adult, under reasonable conditions.

Fourth. The equal maintainance of each person of provision for same so far as physical requirements are concerned.

Now, let us compare our present system of individual initiative and competition with the conditions resulting from the above system.

Under the present system many people are engaged in the same line of business in close proximity to each other. A large number of establishments are required, where one would suffice. Many men are employed where a few could do the work better. Goods are purchased of middlemen and jobbers, and consequently at a higher price.

Let me illustrate in a small way.

In this town, of less than ten thousand people, there are about twenty-five grocery stores. This means rent for twenty-five buildings; also twenty-five managers and complements of clerks, book-keepers, collectors, delivery wagons, etc., all of which are drawn away from productive labor.

Probably no less than one hundred persons, all told, are now engaged in doing for the citizens of the community, what could be better done by twenty-five. Now let us do a little calculating.

Seventy-five men at the present average wages in this line, would earn \$37,500 per year. The rent of twenty-four stores at \$300, would be \$7,200. The maintenance of twenty delivery wagons would be \$2,000. We have a total saving to the public of \$46,700.

Nor is this all. The goods could be bought at first cost in car lots, thereby saving in freights and middlemen's profits at least 25 per cent. This would represent a total saving of not less than \$50 per year per family, by combining the grocery business alone. But under our present laws of private capitalism, the saving would go, not to the people, but, to the owners of the new combination. What is true of the grocery trade, is also true of the dry goods, hardware, clothing and drug trade as well.

To-day, about a dozen milkmen have driven past our door, only one of whom supplies our table with milk. The whole twelve traverse daily nearly the entire town, leaving a bottle here and there. If

the business were combined and systematized, four men and wagons could render the service better and the other eight could be returned to productive labor. What is true here is also true elsewhere. Were all our distribution of products rationally and properly systematized, surely less than one-fifth of the people now employed could do the work better. One-eighth of all our workers, it is estimated, are now engaged in distributing commodities. We are prone to grumble at our general taxes of a few dollars and ignore the tax of hundreds of dollars on our ignorance of systematic business methods.

There are no statistics at hand, showing the cost of articles in general use to the producer and consumer, but I am inclined to believe, from personal investigation, that an average of all merchandise will show a difference of nearly fifty per cent of the cost to the consumer. This should largely be saved, together with the fruits of the labor of the army of men and millions of capital set free by combining distribution.

Nor is this by any means all that might be saved. Production is handled as wastefully in many res-

pects as distribution. Many factories are situated far from both raw material and the market, necessitating a great loss in transportation. Hundreds of small factories make the same kind of goods, each keeping up its full complement of plants, superintendents, foremen, book-keepers and drummers. Each one advertises its wares and buys and sells in small quantities. This is largely waste energy and capital. Our trusts and great corporations have proved conclusively the economy of large units in production. Even with a large per cent of stock composed of water, they are able to pay handsome dividends, where before the separate concerns were barely able to exist. This has been done, too, where the price of the product to the consumer has not been advanced beyond that formerly charged.

Another large item of loss, in production, is the failure of ill-advised and mis-directed enterprises. Thousands of firms annually go to the wall for lack of capital, experience or opportunity.

Ninety-two per cent of the twelve thousand failures in the U. S. and Canada in 1901, were of concerns having under five thousand dollars capi-

tal. No small manufacturer can have a comprehensive knowledge of the supply and demand of what he produces. There may be a great demand to-day and a surplus next month. He does not know what his competitors are doing and so goes on blindly producing more than he may be able to sell, at a profit. The result is often a loss and sometimes a failure.

This the successful manufacturer takes into account, in operating his plant, with the result that an excessive profit is normally charged for his product. Hence, the surplus or sinking funds are provided and these are always eventually taken from the consumer.

Combination of effort engaged in any line would give a broader view of the conditions of operation and also of the supply and demand. The best methods could be adopted, the best locations utilized and operatives could count on steady employment.

Another item of enormous loss is from the periodical hard times and shut-downs in production. These much-feared, yet frequent periods, cause untold loss in idle labor and capital, besides so disar-

ranging production and distribution that many months are often consumed in righting conditions, even after they have otherwise become normal. These disasters cause capital to become timid and labor despondent. Progress is rudely checked and general confidence in our institutions is lessened. This is all purely an economic disease and can be cured only by systematizing industry. Production should be limited only to a rational demand for it, and the people should be able to consume all that they deem necessary. These conditions can be brought about only by combining capital, concentrating control of industry and finally of providing each person with the means of obtaining his or her just share of the product.

Labor strikes also come under this head, and furnish no small item of the loss in our recent development.

Another great cause of waste in our industrial organization is idle capital and labor and also capital and labor employed at a disadvantage. Capital lying idle in stocks of goods, not really salable, or spent in lavish advertising; also in banks; in unused lands and other ways. Labor performing

horse-power work, when it should be employed intelligently in directing machinery. Time spent in traveling for business only and in seeking employment or location for business; labor spent in caring for millions of households, where co-operation would relieve four-fifths of it and at the same time save cost. I refer to washing, cooking, sewing, etc. So far as men's clothing is concerned, we now apply rational methods and find that we can buy a whole suit of clothes for what a lady pays for a jacket, made by her dress-maker. Until recently, but few women were employed in any way, save domestic work. We are already beginning to realize this error and to appreciate their value in the counting room, the school and the factory. Maternal duties excepted, there is no reason why women should not take their places alongside of men in nearly every walk of life. They have the same intelligence and if properly clothed and developed, have nearly equal physical strength, while in some ways, their finer sensibilities render them superior to men in many kinds of skilled labor. It is argued that they could not perform the heavy work often required of men. If the heavy, coarse labor re-

quired of some of our industrial slaves, had to be done by the capitalists, a way would soon be found to do it better by machinery. Wherever the owners of capital do not engage personally in labor progress is extremely slow. The hoe and the bull-tongue plow are good enough tools for the slave and are still in use in many countries, but the farmer who does his own work, uses sulky plows, drills, cultivators, and self-binding reapers.

We drive a patient, docile horse over rough, hilly and muddy roads without compunction of conscience, but when we mount a bicycle and ride over the same roads, we soon improve them by grading and macadamizing.

No man ought to be compelled to do any task that is beyond the strength and endurance of a fairly well-developed woman, and if our present intelligence and capital were properly applied, there would be no necessity for it.

Women have been emancipated from the spinning wheel and the loom by the modern factory machines, and spinning and knitting are almost forgotten arts in the household. Even soap-making on the farm is fast disappearing, and the modern

creamery is relieving the house-wife of another burden incident to country life. Now, I think no intelligent person will disagree with me when I say that this is wise and rational progress and that we are better served, in all the lines mentioned, than we could be, under the old regime. Since we have gone thus far in the emancipation of women from individual household toil, can we not with equal benefit go further? Why not, at least so far as towns and cities are concerned, eliminate cooking in the home? Already some progress has been made in this direction. Many modern apartment houses have no facilities for cooking and eating, save in a general kitchen and dining room. Thousands of people live in furnished rooms and get meals at cafes. All kinds of baking are done in especially prepared places and brought to one's doors; fruit and vegetables are canned and preserved in the factory instead of in the home, and even soups are ready made, of many kinds. With a properly arranged kitchen, and the aid of these auxiliaries, a half-dozen skilled cooks can prepare more and better food than a hundred housewives, working independently. The cost would be much less,

and the general quality better. With the kitchen and dining room eliminated and the remainder of our homes sensibly arranged and simply furnished, housekeeping would not need to occupy but a small portion of the time of the wife or daughter. This simple arrangement would release a vast army of laborers to more useful productive efforts and the servant problem would be a closed incident. Nor need we sacrifice privacy, as each family group could retain a private dining room in connection with the general kitchen and could place its order for such food as it chose. The inconvenience of a few minutes walk would be more than offset by the relief of "kitchen cares and worries."

Another source of waste in our economic organization is in the use of money and book-keeping. If industry were all systematized, as suggested, no one would have anything to sell to his neighbor, hence, money would have no office to perform. Credits would be directly between the individual and the nation, through its government, and all transactions being on a cash basis, book-keeping and accounting would become largely a forgotten system. Employees in banks, loan and trust Co's, clear-

ing houses and mints, tax gatherers, revenue agents, treasurers of all kinds, collectors, pay masters and auditors, with their army of bookkeepers and assistants, would be turned over to the producing class. These are now consumers only, and while they serve a necessary purpose in our present system, they would be entirely useless in a rational arrangement of production and distribution.

Another considerable class to be eliminated is the insurance men. Thousands of our most intelligent citizens are now engaged in life, fire accident and marine insurance work. A highly desirable work under our present economic organization, but useless if collective ownership be established. The anxiety men have for the welfare of their loved ones, coupled with the fact that life insurance money is exempt from execution, causes many to invest a considerable amount in this form of legacies. Among the greatest aggregations of capital in our land, are the insurance companies, and their wealth is rapidly increasing.

Another considerable class that would be eliminated by the new order, is the lawyers and court of-

officials. Without private property to quarrel over, there would be practically no litigation. One judge of high character and ability would then serve better than scores of attorneys, juries and court officials do now. Nine-tenths of our laws are property laws, and our courts are mainly engaged in civil work or in criminal work growing out of the property rights and poverty. Private ownership of capital abolished, the incentive to crime would be largely gone and jails, reformatories and penitentiaries would rapidly become tenantless. Sheriffs, constables and policemen would be practically unnecessary. Charity would be a thing of the past, with all its attachees. Insanity, even, would rapidly disappear. A large proportion of the insanity of the present time is caused by overwork, or worry over troubles due to our environment. The higher the civilization, the greater is the per cent of insanity.

Then, again, with society rationally organized, there need be no use for the army or navy, or of the establishments now engaged in supplying ships, guns, munitions and equipments. This entire force would also be added to the nation's workers

in the fields of production and distribution. True, our army, even including the national guard, is comparatively small to that of other countries. Yet the total expense for military and naval purposes, including pensions, reaches over two hundred and fifty millions annually. This is a tax of fifteen dollars per family in the entire United States in time of peace.

Still another source of great loss to the producers is the interest on debts, public and private, and on capital, which would be wiped out by the proposed order of society. The bonded indebtedness of our government, states, cities and counties, is now over two billions of dollars, while the debts of corporations, railroads, manufacturing concerns and individuals is vastly greater. Then, too, the capital invested in all industrial enterprise and in real estate etc., which demands interest, rents and dividends, amounts to over \$75,000,000,000. On all of this, interest must be paid by the producing class, in addition to their own living. Much of this property is not invested in productive enterprises, hence, does not assist the producer. It is true that our modern use of machinery and organi-

zation of industry enables us to be much more productive than were our forefathers, yet, with the profits of our principal industries, nearly 50 per cent of the gross product, going into the pockets of the owners of capital, how long will our wage earners be able to carry these enormous loads? Nor are these loads getting lighter. On the contrary, they are constantly increasing. Many of our modern trusts and combinations are forcing the people to pay a dividend on stocks, equal to the actual value of the plants and in addition to this, interest on a bonded indebtedness as much greater.

*Under our present system, every dollar of accumulated capital stands as a menace to every day's labor yet to be performed.* Were the fruits of our production and distribution justly divided, we might hope to carry the load and still progress. But under the present unequal and unjust division, the laborer receives less and less, as the load grows heavier.

It is true that we have the most efficient plant for production that the world has yet seen, but yet there is such a large proportion of our wealth that

is non-productive, still requires a dividend to be paid on it. I refer first to the value of land, due to its location. Land in New York City has recently sold at the rate of \$23,298,000 per acre, and is immensely valuable in all urban locations. Yet this is not a factor in production. If society were properly organized, there would be no land rents of any amount. Population would flow away from the great centers and the telephone and cheap rapid transit would accomplish the rest. Under our present system if a man has anything to sell, he must seek a market. The buyers must also seek a market. The poor man having his labor only to sell, seeks the city as the place of greatest demand, and the manufacturer, wishing to buy labor, establishes his factory there because he has the greatest variety and supply to draw from. The merchant, having wares to sell, naturally seeks the locality of greatest demand and all these forces combined to build the city at the expense of the country and the smaller towns.

Under collective ownership, none of these forces would be operative, hence the value of land, due to location, would be nominal. Nearly one-half of

our people now live in cities and towns, while in 1800, 96 per cent lived in the country. Over half of our wealth is in urban real estate and a majority of that consists of land values.

Another large portion of our total wealth, which is not a factor in production, is in our homes, furniture, public buildings, schools and churches, parks, etc. Yet these often require a large interest to be paid, if the money for their construction was borrowed, and if not, then taxes and the loss of the capital invested, at least, are required. While eminently necessary, they do not directly aid the producer to earn the cost and expense of them.

How often do we hear people say "we cannot afford so expensive a home." It is because the home is not a factor in production, and they feel that more of their capital must be used in assisting them to bear their burdens.

It is often argued that although a large part of the fruits of labor are appropriated by the few, that these few in turn spend it in some way which eventually reaches the common people again. Also that a rich man can wear but one suit of clothes at a time, or eat but three meals a day, and hence

there is no reason to fear the rich. This has ever been the argument of the oppressor and has rung out over declining civilization in all past time. So long as selfishness is deemed a virtue and great wealth is the open sesame to the so-called highest circles of society, just so long will wealth oppress labor. It makes but little difference to the toiling producer, whether the capitalist gives a small portion of the amount he receives of the products to some other servant, or whether he throws it away. If the producer is robbed of any part of his reward, he lacks so much of being a free man. In fact the capitalist usually invests his surplus of profits in such a manner that it constantly becomes harder and harder for the producer and easier for the capitalist to get a large share of the succeeding product. It is a serious question, as to how long labor can stand the accumulation of capital in private hands, under our present system. Certain it is that more and more small capitalists are being forced into the position of wage earners and have no interest in production, due to capital. Since this tendency to wage earning is clearly proven by experience, the question naturally arises, would it not be

better for labor, under present conditions, if the surplus wealth were each year thrown into the sea, instead of piling up a burden for ourselves and children to bear. *However intelligent or efficient labor may be, production is always limited by natural resources. The more capital there is to claim a share of it, the less will there be left for labor.* If labor owned the capital and could command its use to assist it in production, and if all capital demanding a return on its investment were of use in production, then capital would not be a burden. But these conditions are not prevalent in our civilization, to any great degree, and are fast becoming more rare.

So far as the glories of intellectual life and material equipment are concerned, no civilization ever bequeathed to its posterity such a rich legacy as we shall. Our ideals of political liberty and justice and the moral heart of our people are the grandest the world has even known. Our sympathies are world-wide and our achievements in material things stand unparalleled in the history of nations. Yet no structure is stronger than its weakest part, and a misconception of right and just

economic principles may easily destroy all. With all our opportunity, due to present advancement, and our knowledge of the errors of the past, we should leave to our posterity the grandest heritage ever bequeathed. But if my observation and judgment serves me right, unless we change our economic principles radically and soon, the majority of us will leave to our children only a magnificently appointed and thoroughly equipped penitentiary.

## CHAPTER IV.

THE ETHICS OF ECONOMICS AND MODERN  
PROGRESS.

“So to the calmly gathered thought, the innermost  
of life is taught.

The mystery dimly understood, that love of God  
is love of Good,

That to be saved means only this, salvation from  
our selfishness.”

In this chapter I propose to discuss in a brief  
way the principle features of law and religion as  
related to economics.

I have already noted the tendency of new civili-  
zations to accept the laws, religions and customs  
of their predecessors. Ours is no exception to the  
general rule, and we are to-day living to a large  
extent, in an atmosphere of antiquity so far as  
these things are concerned.

Progress along material lines may be rapid but  
purely intellectual progress is a slow development.

Intellectual errors are not as obvious as are the other kinds, and, as we get our ideals largely from our parents there is a double tendency to continue in the same beliefs.

This is often shown by the tenacity with which people hold to their religious creeds or politics, even though surrounded by dissenting opinions. The child reared a Catholic remains a Catholic although among protestants or heathen, and the same is true of other sects. No nation has ever changed either its fundamental laws or religion except by force or through centuries of gradual growth.

Every civilization has had a distinct religion of its own, differing largely in its forms and creeds, but having at its foundation the hope of a future existence, better than this, and the belief in obtaining it, through the intervention of some supernatural being, usually worshipped for that purpose, and whose earthly representative was some form of man-ordained priesthood. Even savage tribes have the essence of these same beliefs and forms. Since the essential principles involved in religion are founded on hope and speculation, the changes

which occurred were mainly in its outward forms. These forms and ceremonies were the result, in most cases of priestly influence, and were designed to exalt and magnify the office of the priest and cater to his personal welfare and pleasure. It was manifestly to the interest of this powerful class of leaders to hold thought along these lines stationary. Any progress would argue that their ideas were not true and of divine origin. This would naturally cause doubt in the minds of their followers and weaken the hold they had on them. Then, too, the priesthood, in all times, have been the best educated of all the people. Much of the time, they were the only ones who could read or write, and until the present time, it has been the policy of the church to control higher education, in order to obtain the prestige of advanced thought in its behalf. In fact, the sectarian schools are still the most numerous of our colleges, and in some of the more backward and illiterate states, they oppose state aid to higher education. All this is the result of a conscious weakness on their part of the real truth of what they preach. If they could answer the why of the child with as much reason

as science does, they would not need fear non-sectarian schools or worry for the welfare of their organization. However, I would not deny or depreciate the good which has been done by religion in all time. Its one virtue it seems to me lies in the fact that all religious creeds are founded, to some extent, on moral law, and the teaching of the church has usually encouraged self-restraint and meekness in its members. I allude to it here, more for the purpose of showing the tendency to conservatism and lack of progress in religious thought.

We cannot overestimate the influence of religion on the character of the people. The ideals of any civilization shape the lives and energies of the people, and their religion is often the mother of their ideals. Thus the fixedness of religious thought has for ages been the dominant cause of a lack of progress. Changes in the religion of a people have usually been accompanied by a revolution or the decay of their intellectual and industrial life. So long as a civilization holds to one religion and fixed ideals, there will be neither progress nor decline. Witness the truth of this in China, India, and in Europe during the dark ages. Transition

periods in religious thought and ideals are always accompanied by either progress or retrogression, as the change is for a grander and truer ideal or a more ignoble one. When the Greek mind was developing its ideal of beauty and freedom, Greece prospered and progressed; when egotism and selfishness superseded the old ideals and oppressed the people, decline followed. While Rome was expanding her ideal of national military power and glory, she prospered, and when that ideal was sacrificed to private wealth and power, Rome fell. During the dark ages, the one fixed ideal of religious zeal occupied the public mind, and there was no progress; but with the Reformation came the change toward religious and political liberty.

This change continued and the ideals have expanded and grown apace with the most marvelous intellectual and material progress the world has ever seen. Religious thought is still changing and becoming more liberal, and unless economic conditions force the ideals of liberty and justice from their rightful place, progress will continue. But if human selfishness is allowed to supersede those

grand ideals, we can look forward to nothing but decline and misery.

The struggle for the ideal is on. It will be a battle royal. Marshalled on one side are the battalions of selfish power, ease, and luxury due to wealth; on the other, the hosts of honest toil, liberty and justice. In all the battles of the past, selfishness has won, and the defeated hosts of labor have been driven from their birthright. Labor and liberty have retreated westward, ever followed by the demon of selfishness. Shall they, like the savage, read their doom in the setting sun? Shall we acknowledge that we still have not sufficient intelligence to live together in harmony and peace? God forbid. We cannot retreat further. There is no vacant country for the defeated army of toil to develop and our very existence depends on the issue of the pending conflict. There is but one condition necessary for complete victory, and that is, intelligent united effort. Only by separating our hosts and pitting us against ourselves can the enemy win. Will we do it?

Having briefly traced the history of our ideals and their relation to progress, let us study more

closely the present conditions, and see, if possible, what are the tendencies of present thought and action.

The universe is governed by two sets of laws. They are commonly misnamed, natural law, and higher law. Either one or the other of these laws must uphold and characterize our ideal. Natural law, briefly stated, is individuality. Each for itself or self-preservation, and the survival of the strongest. This is clearly the method of existence in all vegetable and animal life. Science clearly proves it, and every plant and animal is a living testimony to its infallibility. It is true that animals sometimes congregate for mutual protection or offense, but that object once gained, each cares for itself as best it can, and the strongest survives. There is no concerted action for mutual advantage, and physical existence, coupled with reproductive functions are the sole ends of their beings. The laws governing their lives are rational and natural laws, because there is always a tendency to a scarcity of the means of subsistence. In all material things, where any part is used up, there is less left for future use. Hence with the life of animals, which

have but scant means, if any, of providing for the future, there is always developed an instinct of self-preservation which ultimately finds its counterpart in human selfishness. That this animal instinct is fostered and encouraged by competition and individualism, I shall discuss later on. That it is due to our animal view of life, I shall also hope to prove.

The so-called higher laws apply to mankind only and to him in proportion as he is enlightened. The savage sees but a glimmer of the higher life, the thought life, and his physical necessities cause him to be a victim to the lower, or as I shall call them, the animal laws.

The higher law, briefly defined, is the law of the intellectual or thought life. Its fundamental principles are love and unselfish sympathy for others. They are the reverse of the lower laws. The more one loves, the more love there is left. The more one thinks, the more ability one has to think. Let me illustrate. A young wife gives her hand and heart to her husband. She is wholly unreserved in her affections, yet she loves her father, mother, brothers and sisters, none the less for it. A child

is born to them, and apparently the whole love-life of both is bestowed on the babe, but the old affection for each other is only strengthened and sweetened. With the birth of other children later on, the same phenomena is observed, and instead of detracting from the original love, it is increased. Like the laws of universal attraction, including electric and magnetic attraction, it increases as the product of the attracting units. There are some marvelous analogies between universal attraction, electric induction, and human affections, and the future may solve the mystery of the relations of thought and physical energy. Then again the physical body soon gets its full development and grows no more, while the mind, on the contrary, never ceases to grow and expand, so long as its implement, the brain, is kept in proper repair. The physical body soon becomes exhausted by use, while the mind increases in vigor, so long as the brain is supplied with energy. So much for the complex constitution of humanity. Now let us see how we can best apply our energies to accomplish our greatest benefit.

I hold that the physical body of man is simply

the agency that provides and keeps in repair the brain, which is the implement of thought, and through which thought manifests itself. The special senses are only parts of that implement, adapted to detecting and transmitting external impressions to the brain, or by which the brain more effectively transmits thought to others. Under this conception only does life seem to me intelligible and evolution rational. Since then, the thought of man is the ultimate end to be developed, shall we not subordinate the physical side of our being to it? If so, we should apply the higher law to our existence. The physical body and its necessities should be treated as such and like other implements be kept in the best repair and efficiency by the least possible expenditure of time and energy. Mankind ever has been and is now largely employed in caring for the implement, the body, and has overlooked the welfare of the operator, thought. Physical liberty is useful only so far as it promotes happiness and assists free development of the intellect. Any system which will properly support the physical powers, with the least use of the im-

plement of thought, will give us the greatest intellectual freedom and development.

Now let us examine our present economic system, by this standard, and see where it is weak, and how it might be strengthened. If a man is required to use his brain for ten hours a day, in obtaining the requisites necessary for physical existence, there will be but little time left for freedom and development of thought. Moreover, if his toil is such as to largely absorb his physical energy, the brain, the implement of thought will be in poor condition for use during the meager leisure he has left. If, as usually occurs, the toiler has, in addition to his labor, to worry about the comfort and happiness of a dependent family, or even of his own future wants, his brain energy is further wasted. *Whatever energy is used in physical existence only is lost to the progressive thought, happiness, and development of the individual.* It reduces mankind to the plain of the animal.

I have already shown how wasteful of time and energy our present economic system is, also that competition is industrial warfare, with no quarter and no prisoners. It is worse than this, because

the lives and happiness of the innocent women and children, the aged and the crippled, are also sacrificed to it. Neither is there any vision of patriotic glory to sweeten the cup of defeat, or marble shafts, garlanded with flowers, to gratefully commemorate them, dead. The spirit of selfishness and of survival of the strongest, and the most cunning is given full play, and society is governed by the laws of the animal world. "Thou shalt love thy neighbor as thyself," is a divine law given to humanity, yet how can we apply it, so long as we are governed by the opposite principle and when the liberal application of it would mean poverty and misery. How small, indeed, is the love displayed wherever competition is greatest, and where it is most needed. The resident of the city lives for years alongside his neighbor and knows not even his name. In the rural districts, where competition is less keen, and wealth more evenly distributed, life is more humane and natural. It is only in the home, however, that the full and complete joys of life can be now realized. There is, or ought to be, no competition there, no selfishness. It makes little or no difference whether the

money is spent by father, mother or child, so long as it brings happiness to any member of the family. The joy of one is the joy of all, and each assists in bearing the other's sorrows and burdens. Love is law and life is happiness. With what supreme pleasure does the tired and worried business man enter his home after a day's contentious business life. Here at last he finds real friends. Friends not actuated by selfish motives, but who love him for his own sake and not for what his money will buy; friends who will cling to and support him in storm as well as sunshine, in sorrow as well as joy. The best that he has, if he be a wise parent, he lays upon the altar of his home, to it he brings his heart's best love and affection, and for it he sacrifices his life's best energies. If the home is so much to the well-to-do classes, what must it be to the toilworn wage-earner. He has no business enterprise of his own to encourage his ambition, and stimulate his efforts. What his home fails to supply him of happiness is a dreary waste. Sad, indeed, is it to think, that this one bright place in his existence, is so often marred by disagreeable environments, and all but ruined by ignorance and

vice. One has to sear his conscience to call the miserable quarters usually occupied by a city wage-worker, a home. He is denied flowers and trees, is surrounded often by noise and filth, and even God's sunlight and air are limited and vitiated by the smoke of factories. Nor is this all. In the more densely populated districts, and especially among the poorer class, rents are so high and wages so low that the family circle is often broken by the necessity of taking in strangers. Politicians and great statesmen tell us that the home is the sheet-anchor of hope of society, and the bulwark of the nation. Let me ask, in all earnestness, what great good can be expected to result from a home where the father, and often the mother and children over ten years of age, spend ten hours of the daylight in hard labor, and at night bring their tired bodies to cheerless rooms shared with strangers. Is it any wonder that the father and brother seek the gilded saloon and the daughter the concert hall? What other pleasure do they know? What incentive to a higher life? Please remember that I am not describing an extreme or rare case, but a condition which is all too common in our large cities

and towns. One million, two hundred and twenty-five thousand people in New York city live in closely crowded tenements, and thousands of stables filled with horses occupy the same sections of the city. Furnished rooms to rent ought to tell a sad story to any lover of humanity and to any worshiper of the true home. Yet like many other evils, they are so common that we pass them by unheeded and accept the conditions without complaint. Nor is this the only bad feature, or even the worst of the condition. To the stranger who is within thy gates, the word home must indeed be a mockery. Outside of the little ones of the household, he is often denied even the small pleasure of a kind look or word. It is hard enough to have one's life filled with disagreeable toil and to have no noble ambition to strive for, but when, in addition to this, one is denied the joy of a home of his own and the love and sympathy of kindred, life is indeed a desert waste.

It is often said that home is the synonym of heaven. If so, then we must surely improve a vast number of our so-called homes, or detract materially from our ideal of perfection.

I speak of this at length because I believe it is of primary import. It is in the home that the ideals of life are formed. *The home is the character factory of the world.*

If the tendency of modern methods of production and distribution of wealth is toward the destruction or lowering the standard of the home, then it stands condemned at the bar of justice, and should be superceded by a better method. The fact that the worst home conditions are always found where industry is the most highly systematized and capital concentrated, ought to lead all thoughtful lovers of humanity to question our present economic system. Why is it necessary that the city homes of the poor or even the middle class should be so crowded? It is simply because the land rents are so high. And who is it, let me ask, but these same people who give this value to the land? Yes, in order to have a home, or even a place to lay his head in slumber, the toiler is forced to pay a royal tribute for what he himself produces and creates, a tribute so great that the privacy of the home often has to be sacrificed to meet it.

But no matter how poverty stricken and crowded

the home, it is outside its threshold that the real industrial battles of life are being fought. The home offers a place to sleep, if nothing more, and that is often the most grateful privilege of a worn-out mind and body. Outside the home, life, for the poor at least, is a constant struggle.

*The higher law now stops at the threshold of every home and animal law governs the outside world.* Is it necessary that this should be so? Why can we not all co-operate as well as the stockholders of the corporations do? Why should we limit our public conveniences to the mail service, schools, sewers, streets, etc.? Co-operation, wisely planned and intelligently managed, has never failed. Private industries succeed only by the co-operation of brains, labor and capital. These prerequisites the nation, as a whole, can surely command. Is there any reason why a man should love his brother and hate his neighbor? *Human love is not a limited quantity that we need be saving of it.* It is not an attribute of the brute creation, and is not to be governed by their laws. *Any economic system, which precludes the higher law from its business life, is wrong, and will eventually destroy itself.*

The opponents of socialism should weigh this thought carefully, remembering the while that history furnishes no exception to it, and that whenever and wherever human selfishness has been allowed to predominate, the highest civilizations of earth have fallen.

Perhaps a few thoughts relative to the reason for our mad desire of owning property, may not be amiss here. There are two varieties of wants which mankind strives to satisfy: First, Physical or personal necessities, such as food, clothing, and shelter; and secondly, Social wants, or the things expected of him by society, such as a neat appearance, conformity to the style and customs and luxuries due to refinement and education.

In his primitive, or even semi-civilized state, man has but few social want. He is also largely dependent on himself for his supply of physical necessities. Each man, or group of persons at least, own all the necessary tools and implements for producing their food, clothing, shelter, and also for reproducing the implements used.

As society progresses, and the labor becomes more diversified and specialized, and as implements

become more efficient, more time and means are set free for gratifying social desires.

Each man, or group, does not now require implements for all kinds of work, but may exchange the products of their own special line for those desired of some other producer. Now this process of specializing industry is essential to progress, and there can be no objection to it so long as the exchange of products is equitable and just.

So long as each individual or group can supply all its own wants independently, if desired, there will be no extortion or injustice possible. *But at this point the impossibility ends*, and the exclusive ownership of any product, or of the necessary implements for producing it, gives an advantage, (i e., a profit), over those who desire it and who cannot produce it for themselves. (The premium on selfishness begins here.) It is this unfair advantage that makes the ownership of implements and products so valuable. Competition may force this advantage to be limited or even to disappear. It is the desire, of the owners of plants for producing special lines of goods, to reinstate that advantage, that impels the corporation and the trust. It seems

plain, to me at least, that no civilized man needs, or really wants to be bothered with owning and operating a cotton mill, a shoe factory, a railway, a farm, etc., in order to supply his wants. It is his just share of their product only that he needs. Neither can he afford to be oppressed and exploited by all of these and scores of other concerns in order that he may get his many wants supplied.

This is our economic problem in a nutshell. There is, it seems to me, but one right solution, and that is, *to prohibit any individual from owning any implement of production, or any more of the products of labor than he himself requires, in order to supply his physical and social needs.* In other words, collective ownership of all wealth, and control of all industry, and an equal division of the products.

While writing this page, I have stopped to read the evening daily. My attention is especially called to a column article under the heading "Charities." Our cities vie with each other in the extent of their charities, and boast of their acts, loudly lauding the millionaire who gives one per cent. of his income to this cause. Whose fault is it that the

poor need charity? Would this rich man call it charity if he gave his money to his own kindred? Charity and death! How they grate on the ear and heart! What one is to the physical body, the other is to the moral nature. *The highest boast of any people ought to be "we have no need of charity."* People are slow to realize that the care of the weak and helpless is a moral duty of society, and not a privilege of the well-to-do, to be accepted or rejected at pleasure. That we have need for charity at all, and that the need of it increases as civilization advances and wealth increases, is one of the strongest reasons for condemning our economic system. It seems strange to me that the organized christian church will continue to devote so much of its resources and energies to charities, and still not lift its voice in condemnation of the economic system that produces so much poverty and dependence. Can it be through ignorance of the cause, or is it through fear of alienating the patronage of the rich? If the church wishes to interest the common people, it must plead their cause. Christ was the greatest socialist the world has ever known. His teachings were only the application of

the higher law to human life, and are all that the most ardent socialist of to-day demands. "Thy will be done, on earth as it is in Heaven," was not a meaningless phrase. If it were impossible of accomplishment, He would not have uttered it. What are you doing, professed follower of Christ, to consummate this thought? Will you be satisfied, if you find the conditions on the other shore similar to those existing here, for the average newborn babe? Will you be contented and happy if you find there all the best locations occupied or held by the Judas-Iscaiot real estate companies, at a price beyond your ability to buy? Will you be happy to limp along the streets, carrying your heavy harp, while others ride in golden automobiles to divine service? Will you be willing to polish the trumpet and wash the robes of those who got in on the ground floor, in order that you may have a place to rest after the ceremonies? Will you be willing to associate daily with a host of poor despised angels, with tattered robes and second-hand trumpets? Will you—but no, the human mind revolts at such a conception of its ideal of existence. Yet are not these the very con-

ditions which confront the poor child in the most enlightened countries on earth to-day? If we do not labor to improve these conditions, it argues that we ought to be satisfied with them in the world to come. What right has humanity to place such conditions in the path of the innocent child? Are all men born free and equal, in the pursuit of happiness, when one inherits a million and the other poverty? It is estimated that each morning the sun is greeted by four thousand new faces in the United States alone. What right have we to say to three thousand "you shall pay to the other thousand a portion of your earnings throughout life, for the privilege of living on this earth?" Yet this is what land rent means. Or by what further right shall we say to them "you shall be the servants of the others, because they own the implements by which alone you may produce your subsistence?" These are questions far more momentous to humanity than all the creeds and dogmas of the world's religions. *Humanity, not angels, must be the religion of the future. Not bliss in the next world only, but peace and happiness in this. The people will not much longer accept the churches' checks,*

*payable in heaven. They will soon demand the cash.* They are beginning to realize that antiquity has no power to make error truth, or truth divine, and that virtue is its own reward. The human conscience is the highest court at which one's own acts ought to be judged.

There has never, in the whole history of the world, been such an opportunity for the church to serve humanity as here and now. She possesses the material equipment for reaching the people. She has the prestige of society and the respect, if not the support, of the masses. Her clergy possess the necessary intelligence, and her influence over all classes can scarcely be overestimated. Will she embrace the opportunity? Judged by the last thousand years of her history, we would be inclined to answer no, for she has ever been the friend of the oppressor, so long as the oppressor gave her temporal support and power. Judged, however, from her recent acts, there is ground for hope. Creeds are constantly being broadened and dogmas once declared essential are being ignored. Catholic and Protestant join hands in good work, and liberality characterizes, more and more, the

acts of all denominations. Agnostics, even, are unopposed in their merciless criticism of what the church advocates, in the same section where less than three centuries ago, Roger Williams, for a much less offense, was turned out to starve or freeze. She has even waived her right to control higher education, and the unordained preside over her great Universities. All these things argue a growing liberality. Great as these changes have been, she is not yet abreast of economic science and progress. *It is not the repudiation of truth that the church need fear, but of superstition and error.* Fables, parables and allegories, which may have been necessary for the understanding of a primitive race must not be interpreted literally for intelligent people. Let heaven and hell assume their true meaning of ideal happiness and misery in this life as well as in the hoped for or dreaded life to come, and let "the mystery be fully understood that love of God is love of good. That to be saved means only this, salvation from our selfishness."

Conceptions of space, and the phenomena of nature, based on the limited observation and

knowledge of the ancients, must not be retained when they have been 'disproved' by modern science. *There is no conflict between true religion and science, but theology and science are well-nigh irreconcilable.* Religious teachers should recognize this and not expect our intelligent children to repudiate the teaching of our secular schools, especially when reenforced by the proof of their own observation and reason. *The truth will ultimately prevail.*

There is no evidence in nature that humanity has descended from a state of perfection. All science, history, archiology and reason point to a gradual but constant development. The golden age lies before us and not in the past. This was the real message of Christ, and he devoted his life to teaching humanity the way to reach it. It is largely the fault of theologians that His precepts have been misconstrued and His teaching ignored in everyday life.

"Suffer little children to come unto me, and forbid them not, for of such is the kingdom of Heaven," does not indicate that Christ believed or taught that humanity, in childhood at least, was

depraved or needed redemption. If the full grown child needed his teachings and example, it was evidently because of human errors and ignorance, and not of divine displeasure or the sins of their ancestors. Children are emblematic of Heaven, because they are governed by the higher law of love, and not by selfishness.

Evil is to the moral life what pain is to the physical. It should indicate to us that something is wrong and demands righting. When the body is healthy there is no pain, and when society is properly organized evil will largely disappear. Good is an end in itself, because it produces happiness, the highest attribute of humanity. It is a beacon light guiding men by its radiant beauty onward and upward to God. Evil is only a hedge bordering societies way, which forces erring humanity back into the paths of moral progress by the misery of its poisoned thorns. -

*If Christ died to redeem the world, I believe that death and redemption, consisted in giving his energies in teaching men that the higher laws should govern them in all life's duties, and that we will*

*be redeemed only when we fully appreciate and apply those laws.*

I believe that the thought is the immortal part of man, the so-called spirit. We know that our thoughts are reflected in our own lives, good and noble ones make us happy, and evil ones making us sad. I believe further in the theory that thought vibrations go out into space and influence other minds. We now know that the Hertzian electric waves pulsate through all space, and our scientists have recently been able, by means of delicate apparatus, to detect these waves hundreds of miles away, and use them in sending messages. As the coherer must be tuned, as it were, to the vibrating force, so, I believe, the brain of man can be attuned to the kind of thought it wishes to receive from space. The brain, busied with thoughts of good, will receive that kind and vice versa. A thought expressed also has an influence on the receiver; and through the power of his memory is transmitted, either in its original shape or modified by other thoughts, to future generations. This, it seems to me, is a rational view of immortality and no less inspiring than other views.

Be these things as they may, there is ample reason for the church to give liberal and rational interpretation of Christ's teachings. I have dwelt at some length on the religious side of this question, because I fully realize the necessity for right ideals in life, and also the power of the church in forming those ideals. It has a magnificent equipment and is professedly in the work of human betterment. There are many reasons why it should join hands with any rational organization, in the uplifting of oppressed humanity. Its own welfare, and, in fact, its very existence, depends on its being the pioneer or able assistant in every good work. Dogmas, ceremonies, creeds and minor details, should not be allowed to interfere with its co-operation with others. In this way, only, can it win the love and support of the masses, and fulfill its mission on earth.

Before discussing laws in their legal sense, I wish to say a few words about the creators of such laws, governments. Governments are usually supposed to be founded for the purpose of protecting life and personal rights. This is largely an error. Animals exist peaceably in large num-

bers, with no government at all. The governments of savage tribes are a name only, and yet so far as life and liberty are concerned, they are as well off, better off than many civilized nations. The real object of all political government has been, and is, to control the relations between people and capital, and to protect one class or part of the people in exploiting the rest. This statement seems sweeping and revolutionary, but it is true. Where classes in society do not exist, government is practically eliminated, and its complexity and power is always in proportion to the social extremes of the classes it governs. Governments in some countries protect kings and royalty; in others, priests and castes; in others, slave-owners, and in others, capitalists, either landlords or machinery owners. The results are always the same, namely, the exploitation of poverty and labor by the favored classes, who virtually make the laws and own the government. An ideal government would be almost wholly economic in its functions, but would concern itself in preserving happy and equitable relations between its subjects, rather than the protection of capital and mens relation to it.

This can only be brought about by abolishing private capitalism.

While the founders of our government guarded the people to a large extent against royalty, castes, priests and in some states slave-owners, they openly embraced capitalists, with the result that we have only a change of masters. Our fundamental principles of law, as well as those of our religion, have been copied from the ancients. The Egyptians bought and sold, on the same system as we are using to-day, and the laws of each succeeding civilization were largely a reproduction of them. Property laws have never been founded on justice and equity. The rich have ever been protected in their advantages over the poor. Private ownership of land and the implements of production can never mean anything else. Laws have ever been the product of rulers, whether those rulers were kings, priests, feudal lords or capitalists. In the main, they have been in the interest of those rulers. The rights of the masses have seldom been safe-guarded, and their welfare has been fostered only when they were of use to the ruling powers. Nine-tenths of all our laws are property laws, and the

other tenth provides for crimes, growing largely out of the injustice due to them. Society, under private ownership of property has well been likened to a cone, balanced on its apex. Every new movement of capital and labor produces a tendency to fall, and props in the form of laws are continually required to hold it up, and keep it reasonably stable. The people of greater New York live under more than fifty thousand laws, some of which are longer than the whole Roman code. Fourteen thousand laws were passed in the United States in one year. A recent Congress had twenty-four thousand bills before it, and passed over one thousand. The best talent in the land is required to explain them, and judge of their righteousness and legality. Yet ignorance of the law excuses no one. Socialism simply proposes to turn society over and let it rest on its base. Then the supporting laws will be useless. The fact that we require so many new laws annually, and the further fact that none of our laws are potent in protecting the people from the oppression and exploitation of capitalists, ought to be sufficient to condemn our present economic system.

The boast of the United States is that we are equal before the law; that the government is of the people, by the people, for the people. Let us investigate this and see how much of it is a delusion. First, what voice have the people in nominating men for office? It is well known that the slate is usually fixed at headquarters by the rings and bosses, and that the caucuses and conventions are mere formalities, except in case of rival factions. A poor man, unless he be the pliant tool of the capitalist, has but little opportunity of even a nomination for a legislative or judicial office. Office-getting and office-holding has become a profession, and the law is its training school. Once nominated, the capitalists from every party, if necessary, unite to elect their man. Former party affiliations and principles count for but little when the pocketbook of the capitalist is in danger. The 'dollar mark prefaces and permeates all modern politics. It is here, where most needed, that our former ideal of justice and liberty has most conspicuously given way to selfishness. Note the political condition in all cities and towns. Scarcely one in all our land but what is, or has been

under ring-rule and plundered for the benefit of scheming capitalists. This is the most disgraceful page in all American history, and the most baleful omen of the failure of Republican government under private ownership of property. This is the more significant, when we consider that the tendency is more and more toward city life.

In 1800, four per cent. of our people lived in incorporated cities or towns. In 1890, forty-one per cent., and in 1900, forty-seven per cent. In New York state, sixty-eight per cent live in towns of over eight thousand. In Massachusetts, seventy-six per cent.; in New Jersey, sixty-one per cent. It has become a maxim that every man has his price. Then, too, in the highest places, the Supreme Courts and the Senates, how few friends of the common people are found. Our Supreme Courts usually strain every nerve and avail themselves of the slightest legal technicalities in order to favor capitalists. Their long terms of office make them independent of the people's desires.

The United States Senate is an aristocracy of wealthy men or their representatives. Ability counts for little. The protection of capital is the

demand made of them. The public was heavily taxed recently to pay the expenses of war. The great express and telegraph companies escaped entirely. Is there any relation between these facts and the private interests of some of our legislators? Is our government by the people, when a few men can block legislation, recommended by the President, promised by the government, and demanded by the people? Yet this is the condition existing at the last Congress. Has the legislation in New York City, Philadelphia, St. Louis, Minneapolis and a score of other cities, been for the people? Is the government of Delaware by the people when the wealth of one man corrupts, dictates, defies, and renders them helpless? And then again, let us see briefly, how much of our state and national legislation is for the people. In looking over our laws, one finds but few which are not framed in the interest of capital. Outside of the eight-hour law for government employees, and this only includes part of them, has the government ever exerted itself to help the toiler? Have they ever passed a law which enabled the debtor to pay his obligations in the same value of currency which existed when

the debt was contracted? Have they, excepting the Chinese, ever put a tariff or restriction on imported foreign labor? Have they ever limited the share which capital may claim in the product of any enterprise? Have they tried to prevent the conditions, under which many single men in twenty-five years, have amassed fortunes of a hundred million dollars? On the other hand, they have repeatedly passed laws which appreciated the value of the currency and placed heavy obligations on the debtor. They have given away whole domains of our territory, and sold over thirty million acres of our land, to foreign holders, at a fraction of its present value. They have privileged the few bankers to issue money and on account of their wealth allowed them interest on bonds and at the same time to issue the value of those bonds, in legal tender currency. They have allowed our natural resources to become monopolized and prices to be placed at extortion rates. They have never interfered with the oppression of the public by the capitalists. They quietly allow the continuance of watering stock and of capitalizing combinations on their earning power in boom times, far be-

yond their real value, thereby forcing labor to pay a dividend on the fictitious values. Furthermore, these privileges are paid for in campaign funds to the party in power. Is this a government of the people, or by the people or for the people? I think not. It is rather a governing *of* the people *by* the capitalists and *for* the capitalists.

But, says the politician, the people are the capitalists so how is any one injured? I admit that there was a time in the infancy of this country when all capitalists were laborers and nearly all laborers were to some degree capitalists. That that condition has passed away and that the present tendency is to increase the class distinction I hold is proven by statistics already quoted and is obvious to all. Changed conditions demand changed laws. *Laws governing economic relations cannot remain fixed and always be just, while economic condition change.* So far our government has assumed that political liberty and equality are all that are necessary or desirable. This may have been true at a time when undeveloped natural resources abounded and the means of exploiting the people were inefficient, but not now. The tendency

to class formation due to the ability of the few to exploit the many, is only a repetition of the history of the civilizations long since passed away. Modern enlightenment in applied science and mechanics has only served to accelerate it.

An important factor in forcing the issue at this time between labor and capital is the fact that labor has no where else to go but is reflected back upon the older civilization thereby aggravating the difficulty. Heretofore the very ones who by reason of their courage and energy would have opposed the wrongs of private capitalism have removed westward and developed new resources. As they were unorganized, and consequently weak, they preferred to brave the hardships of the frontier, rather than oppose the power of organized wealth at home. This great class, and they have been the builders of all civilizations, will now be forced to seek another solution to the problem. They cannot run away from it any longer.

*If our laws refuse to recognize these new conditions, then these conditions will shortly refuse to recognize the laws.*

Moreover, our laws, so far as economics are

concerned, are founded on the principle underlying the lower or animal law, namely, each one for himself and the survival of the strongest, or in modern terms, the wealthiest, for wealth has now become a power in absorbing products, equal to all labor. It is true that our economic development has forced the copartnership, the corporation and the trust, all of which are socialistic in their tendencies. Many people are beginning to realize the drift of industry and to recognize the true nature of it. Should we not develop this tendency and seek to apply the higher law of love, of association and co-operation in all industry? Should not human laws rest on a humane basis and not on a principle of animal life?

If it is proper and good for us to co-operate in self-defense, and offense, is it not also proper and good for us to co-operate in self-preservation? Are we always to take our inspiration from a pack of wolves, which stand together against a common foe and after victory is achieved, slay and devour the wounded and weaker members? Our government has the right and duty of organizing all our citizens for war and defense, and it ought to have

the same right and duty of organizing them for peace and preservation. This leads me to the subject of human liberty. Liberty! The most inspiring word known to man. What will he not give for it? More lives have been lost, tears shed and treasure wasted for it than for any other purpose. Ignorance, superstition, fear and selfishness, have made its conquests long and painful, and the end is not yet. Freedom from personal tyranny, from religious persecution, and from political oppression, have been to a large degree attained here. Freedom from physical poverty and want still remains to be contended for. *Liberty, like love, is not a limited quantity. It is governed by the higher laws and the only way to get it is to give it.* It has been well said that we cannot oppress others without oppressing ourselves. This, as I see it, is only the negative way of stating the higher law, that we cannot do good to another, without receiving good from the act. The more we give, the more we receive, and the more we take away, the more is taken from us.

On account of the physical necessities of the body, and the fact that nature does not provide ma-

terial already adapted to supply these necessities, we can never become entirely liberated from toil. This is the condition of material existence. We cannot change it. The problem is to approach the ideal as far as conditions will permit; to get the desirable commodities of physical existence with the least toil; to relieve all from unnecessary and disagreeable labor, and to require from all their best efforts. Liberty, after all, is an attribute of the intellectual life. That liberty which gives the mind freedom of thought, and at the same time, supplies most economically and perfectly the implement of thought, is the best. Let me illustrate. If a man be ever so wise and wealthy, confinement in a prison will destroy his happiness, even though he be supplied with books, clothes, food and shelter. Or a man may possess wealth and political liberty, yet if he be a victim of ignorance and superstition, his life will be one of fear and misery. And then, again, if a man be ever so enlightened, and politically free, he is yet a slave, if required to expend his energies in disagreeable labor. Liberty, like health, may be destroyed in many ways. As pain or disease in any part of the body will

destroy physical comfort and pleasure, so oppression in any form will destroy the happiness of liberty. It is not enough to be free from the personal, the political and religious oppressor, and still be a slave to poverty. We might as well expect physical comfort, having sound arms, legs and head, and a dyspeptic stomach.

It is sometimes argued that because of the necessity of toil in supplying our physical wants, that industrial liberty is not possible. I submit that no form of liberty is absolute. Our political liberty is circumscribed on every hand, by the rights of others. We are free to act only so far as it does not infringe the rights of our fellow men. We profess to enjoy religious liberty, yet we are of necessity influenced by our invironment. The good opinions of our neighbors, the approval of our fellows, and often the love and respect of kindred, depends on our fidelity to the popular religious teachings. Since we are not absolutely free in these fields, we ought not to be discouraged to feel that we cannot be entirely free from toil and cease to work toward that end. Rather let us join hands with all who

love freedom and justice, in any work for the betterment of humanity.

Liberty and justice are not the wards of any country, party, church or society. They belong to the whole human family and any social movement that leaves out even the humblest member lacks so much of its full duty.

The immortal Lincoln once said: "We cannot exist part free and part slaves." I would paraphrase that sentiment, in closing this chapter, and say: "We can never progress, part millionaires and part paupers."

## CHAPTER V.

## SOCIALISM DESCRIBED, CRITICIZED AND APPLIED.

Inasmuch as this little volume may be the beginning of socialistic study for some of my readers, I have thought best to give, at this point, a more complete outline of what modern socialism is. Like all great reforms, it has suffered from the pens of ignorance and fanaticism and also from the united efforts of private and organized capital. Socialism is not the product of any one mind, country or age. The seers of old saw and proclaimed its principles. Every civilization has had a more or less clear conception of some of its features. Modern socialism, however, is limited in its meaning and application, to the liberating, as far as possible, of humanity from industrial bondage and poverty. It proposes to do this by cooperating in the production and distribution of all the necessities of life and happiness, and in the equal, but collective, ownership of all wealth. In other words, to use a modern illustration, it proposes to organize the wealth of the nation into a

joint stock company, each citizen being an equal shareholder and participating in the dividends, but not allowed to retrench his capital stock, which is held by the nation for its posterity. I fully realize the inability of any one, however intelligent, to forecast or plan a complete scheme of organization along constantly changing lines, especially where the requirements of society are so many and so complex as ours. The problem is similar to that confronting an architect who is required to design a large building in the heart of a city, when the owner does not know for what exact purpose the building may be used.

The architect therefore provides a building which has the necessary requirements for the average establishments, such as large and convenient entrances, halls, elevators and stairs, ample light and heat, convenient toilets and drainage, also wires, speaking tubes, etc., for possible use. He makes the building amply strong, and also has an eye to its general pleasing appearance, with a possible future ornamentation. If all this has been well planned, the building, with slight changes, will be fairly well adapted for any ordinary use. He can-

not foretell and plan for possible improvement in commerce and mechanical arrangements, but must use the present needs as a basis for his plan.

So it is with the socialist, in arranging the details of his proposed new order of industry. He can arrange only according to the present state of development, and for the average use. The future will point the way for specific changes, which may be necessary, on account of social progress. Critics of socialism in general should remember this and not condemn the whole effort, because of the imperfections in some one's ideal of it. Our present system has much to condemn, yet these same critics approve and claim to be satisfied with it.

To my mind one of the greatest errors, common to this line of thought, is that the working people are the only ones to be benefitted and that the wealthy shall suffer. This is not true. No wealthy person would be deprived of the necessities of life, or even the reasonable luxuries. They would be relieved of care and worry, due to their position as property-holders; they would be relieved of the class social strain, which is neither natural nor really enjoyable; they would be relieved of their

false ideals, and their hypocrisy in religion; and last, but by no means least, they would be relieved from confronting and daily associating with poverty, ignorance, degradation and misery. If all these things are of no value to the rich, then I submit that they ought to be opposed to any effort looking toward the uplifting and perfecting of humanity.

The following are a few definitions of socialism from prominent sources:

"The ethics of socialism are identical with the ethics of Christianity." *Encyclopaedia Britannica*.

"A theory of society that advocates a more precise, orderly and harmonious arrangement of the social relations of mankind than any which have hitherto prevailed." *Webster*.

"A science of constructing society on an entirely new basis, by substituting the principle of association for that of competition in every branch of human industry." *Worcester*.

"Socialism is industrial self-government." *Bellamy*.

"The answer of socialism to the capitalists is that society can do without him, just as society

now does without the slave-owner and the feudal lord, both of whom were formerly regarded as necessary to the well-being and even the very existence of society." Prof. Clarke.

*Socialism is the substitution of the true for the false purposes of government, namely, maintaining right, equitable and happy relations between its subjects, rather than the relations of its subjects to capital, and the promotion of classes.*

In the more detailed description of the proposition, I shall hold largely to the thought of Edward Bellamy, as expressed in his works "Looking Backward" and "Equality." Not that it is original, even with him, but that it is the clearest conception we yet have of collectivism. First of all, let me tell you what rational socialism does not propose to do:

It does not propose to interfere with the home or any of its sacred relations. It does not propose to obligate any member of society to subscribe to any religious or any other organization whatever. It does not propose to interfere in any way with the personal liberty of any individual, nor to occupy his time, further than that required of him in per-

forming his just share of the labor necessary for supplying the wants of the people. It does not propose to abridge the right of any one to produce anything for his own personal use or as a gift to others. It does not propose to dictate in any way how any person shall spend his income, other than that he shall not so waste it as to become a nuisance, or a charge upon society. It does not propose that any one shall be unnecessarily oppressed by any one else, or be compelled to perform any unjust share of disagreeable labor. It does not propose to abridge the choice of occupations, except so far as the necessities of the whole people may require it. Furthermore, it does not propose to force any one to accept citizenship in the commonwealth, but to allow freedom and means of choice.

Inasmuch as production always precedes distribution, I will begin at that point. As the greatest item of production is food supply, consideration will be given to it first. It is often argued that agriculture is a branch of industry, incapable of being socialized, largely on account of the isolation of the workers. This feature of farm life, socialists purpose, at the outset, to change as rapidly as

circumstances permit. There is no reason why farmers cannot live in villages, and go to the land as occasion requires. This system is followed in many of the countries of Europe with pleasure and profit. The isolation is done away with and all the advantages of society are gained. To be sure the farmer will need to lose some time, traveling to and fro, but with good roads and the villages close, this loss is small. In return for this loss, he would save the regular weekly trips to market, also the frequent trips to the blacksmith shop, harness shop, etc. His family would be convenient to church and social gatherings, so that that time of traveling would be saved. His children, instead of having to walk a long way to school, daily, would be close by and could enjoy warm lunches and a graded school. Taken all in all, the financial advantages are in favor of the village system, even under private ownership, as practiced abroad, while the social advantages are vastly superior. There would accrue the advantages of having all the machinery for the community stored close to the smith and carpenter shops for repairs and in dull seasons, these craftsmen

could provide new tools. The live stock, being cared for at one point, modern methods of feeding and breeding could be practiced. In the summer, the growing young stock could be pastured in the more remote fields. Each village would have its creamery, if in a dairy section, and the hauling of milk would cease. All the necessities of the community would be found in each village, such as schools, churches, theatre or public hall, library, bath and gymnasium, green-house, water supply and drainage, athletic grounds, etc. Also such professional and craftsmen as might be desired, such as teachers and doctors, shoe and harness makers, tinsmiths, tailors, carpenters, masons, etc. One or more of each would be required, according to the size of the village, or perhaps one would serve for two or more villages. Every village would have its local or long distance phone and generally its own system of lighting. Trolley lines would connect them as at present is done in many parts of the country. This system would call for scientific and intensive farming and a considerable area would be reserved for reforestation purposes and for future development. Each vil-

lage would also be the unit in political organization and would have its local self-government. A board of trustees acting under the initiative and referendum would govern in all matters save the production and distribution of commodities. They would be chosen from the retired workers, who would have no personal interest to serve, and who would be liable to removal at any time.

The direction of all production and distribution would be in the hands of the active workers. Their organization would resemble that of our present army. All those selecting one line of work would be under a major general of that industry who would direct them through his subordinates. A captain would be in immediate charge of the work at every point, where many were employed in that line and would be assisted by his subordinate officers. He would be required to be an expert in his line who had earned his promotion from the ranks, and who could rise only on his merit. He would be advanced by the retired members of his craft and could be demoted by the same power. I wish to say, at this point, by way of explanation, that socialism pro-

poses to retire all active workers at a fixed age. Their only public duties after this time would be legislative and judicial, except as they chose to assume them. Each occupation would maintain its own organization, similar to our present labor unions, and the retired members of it would form a guild for its direction. All the officers of the particular craft would be working members, except the brigadier and major-generals. These would be elected by the guild of retired craftsmen, from those of their members who had successfully filled the lower positions. The industry in any line, in any state, or division corresponding to a state, would be under the direction of the brigadier-general, and the sub-divisions of territory would have other officers as found necessary. Where an industry called for many craftsmen, in one locality owing to the proximity of raw material, power or transportation facilities, there would be found many colonels in that line, while one would be sufficient in other equal territories. The captains would be in immediate control of plants everywhere, while the higher officers would be engaged in the general direction of work, gathering

statistics, making estimates, requiring materials, making repairs and deciding on new enterprises. This system of organizing industry may seem unreasonable to some and the title of brigadier-general of agriculture may sound absurd, but to me it is no more so than the brigadier-general of human slaughter, which is the complete title of that rank in our present army. All the major-generals both in production and distribution would form the cabinet of the general, who would also be the President of the nation, the highest honor in the gift of the people. He would be selected from the major-generals by the direct votes of all citizens, and could hold for one term only.

It is proposed that factories should be located to advantage, as to raw materials, etc., but otherwise as diversified as possible. Large cities would become much smaller, and many of our agricultural villages would contain factories, where those who would otherwise be forced to idleness during a part of the year could be usefully employed. One source of enormous loss to our country is in the enforced idleness of farmers and other outdoor

workers, during the winter months. Each factory would be equipped with the best machinery and would contain all possible comforts and safeguards for the workers. Constant effort would be made to lighten and sweeten the toil, rather than to increase the output. The captain of each plant would have his material supplied him by his superiors and would have no care of his product after it was ready for distribution. His problem and those under him would be to manufacture or to produce. Once his product was complete, it would be immediately inspected and checked over to the department of distribution.

It is generally conceded that it is feasible to organize all kinds of manufacturing, because the trusts have done it successfully. Surely it is not a long or dangerous step to complete the process. The village system in agriculture is in successful operation in many parts of Germany and other countries. The foregoing proposition can not, therefore, be very revolutionary.

The great wrongs of our time, however, are much more in the distribution and final division of wealth than in its production. So far as econ-

omy is concerned, the private capitalist has, in many cases, done as well as the socialist could hope to do. Outside of obviating the unnecessary waste and also the more disagreeable kinds of labor in production, the socialist will devote his energy largely to righting the wrongs of distribution.

As our village or town is to be the unit in society for production, so it will be in distribution of commodities. Each village would have a general warehouse, where all the ordinary supplies could be had. The village store, and also those in manufacturing cities, would resolve itself into a sample department, where the people could see specimens of what they wanted, pay for the same and order the real goods from the storehouse. Thus the goods would be handled but once, and all unnecessary labor be saved. The several divisions of the general storehouse would have special facilities for handling their own line of goods, and would be connected to the electric or steam railroads. The orders could be delivered every hour or oftener, by the regular wagons.

This leads me to the subject of paying for goods, etc. Socialism proposes to do away with money,

as such, and substitute for it a form of check-book or credit system. This check-book would differ from the ones now in use in the following points: First, the deposit would be made by the people collectively. Second, each citizen, male and female, would have the same amount annually placed to his or her credit. Thirdly, checks could only be drawn, payable to the nation, and for the personal use of the individual or family group. It has also been suggested that credit cards could be issued, so arranged that the amount purchased could be punched out as bought. Mothers would of course be exempt from any labor until the youngest child has reached the school age. Children at this age would begin drawing credit sufficient for their support, in their parents' or guardian's names, and this credit would continually increase until the age of discretion, when it would become equal to the others, and become the private property of the individual. This provision of equal distribution of the products of labor is often attacked. There has been a saying so oft repeated, that it has become almost an adage, that every man is entitled to the product of his own labor. I do not believe

this to be strictly true. If all men were exactly equal in talent and strength, and if opportunities for applying that talent and strength were also equal, then it might be so. Otherwise, it would work serious injustice. We are what we are, by reason of our hereditary talent and of our environments. No two men are, or ever can be, equal in these respects. Since it takes practically as much to feed one man as another, and as much to keep him warm, (we all have the same normal temperature) and as much to shelter him, it follows that he should have the same resources for these purposes. It is argued that one man has finer tastes and sensibilities than another, and needs more of luxury on account of it. I grant that this disparity exists, but, it is not the fault of the poor that they have not acquired a taste for better living. Rather is it the fault of the rich that the poor have had no opportunity to develop those tastes, and they should rightly make any necessary sacrifice to bring their unfortunate brothers up to the higher standard. Then, too, in organized society, where industry has become highly specialized, it is impossible to say what is the exact value of any one's

effort. "From every man according to his ability, to every man according to his needs," is much nearer to justice. That man is entitled to the fruits of his labor, I hold to be true in the higher or intellectual sense only, because God has so ordered it that no power on earth can deprive any man of his intellectual attainments. Knowledge and skill can not be inherited, bought or acquired by force. Neither can they be bequeathed, sold, or lost through misfortune. They are the product of the personal effort of the possessor and as such belong entirely to him.

It is also argued that if each one receives the same allowance, however small his contribution to the supply may be, that it would put a premium on laziness and that no one would long have any ambition. All history proves the contrary to this, and our own experience confirms the proof. I wish to say, to begin with, that any ambition which has nothing but the dollar mark before it, is unworthy of human effort.

Was it money that actuated Christ, or St. Francis, or Luther? Was it money that sent missionaries into the wilderness? Were the guns made of

gold which the light brigade charged? Was there a dollar mark on Washington's flag? Did the heroes of both armies from '61 to '65 fight for the spoils of victory? Did conquest and loot actuate the heroes of Santiago or train the guns of Schley's squadron? Did the dollar preface the noble work of Darwin, Tyndall, Agassiz, Michael Angelo, Raphael, Shakespeare, Longfellow and Whittier? No man whose ideal was wealth, for his own use, is enshrined in the hearts of humanity to-day. *The man who does not, to some degree, live in the hearts of posterity for their good, is truly dead. Wealth is a means and not an end, an implement only for producing happiness. If it fails here it is worthless.* The equal pay for subsistence given our soldiers, does not prevent deeds of heroism in the ranks, nor prevent them from rising from the humblest to the highest office in the service on their merit.

The fact that thousands of postal employees draw the same salary does not seem to impair the service. The members of Congress draw the same salary and those of parliament draw none, yet this makes but little, if any, difference in their efforts.

Millionaires and poor mechanics labor side by side in both cases. The truly great surgeon gives his best skill to the pauper child, as well as to that of his wealthy patron. If any man has superior abilities, he should be allowed to develop and use them for the good of humanity. His abilities and energies should be rewarded by advancement in responsibility and by the gratitude and honor of his fellows, but not by dollars. This, socialism proposes to do, by allowing men to rise only on their merit, by public approval and honor of the successful, yet an equal share in the product of all. An inventor or author of merit would be rewarded by extra vacations, or advancement in his line, or a further opportunity of developing his talents.

But to return again to the subject of distributing wealth. Transportation of all commodities for public use, also of all workers in caring for the national industries, would be free. This would include the mail service, also the public telegraph and telephone. For a 'phone in one's home, a reasonable rental would be charged, and for shipping a gift to a friend or travelling for pleasure only, a charge would be made to cover the cost of same.

Local lines, such as street cars, ferries, etc., would be operated free, on the same principle as elevators are in business blocks.

The subject of the home is also one of the problems of all reforms. Rational socialists do not propose to interfere with the home life of our people. I do not believe that the home relations existing between parents and children should be superceded by any other arrangement. Under the socialistic regime, women would be emancipated from men's charity and would become independent of them so far as support is concerned. Marriages would be for love only. This one step, it seems to me, would be the greatest ever taken by humanity toward happiness. How many women to-day, because of their economic dependence, marry men they do not really love. How many worthy young men sacrifice the noblest passion of their being because they feel they cannot support the woman they love, in a respectable manner. The dens of vice in every city, which defy the church, organized charity, law and decency, are a living witness to the failure of our social economic organization along this line.

It is often argued that all our residences would

have to be alike, and that individuality would be lost. This again would not follow. Homes would be rented the same as now, except that the rents would be less. A small family would not wish to occupy a large house, on account of the cost, while a large family or group of people might prefer to have a larger and more spacious place. No one would have any object in going beyond his means in the matter of unused rooms, as all would know that he must sacrifice in some other way. Then again, our houses would be furnished plainly, but comfortably. Much of the useless bric-a-brac and fancy furnishings would disappear. They would fail to symbolize wealth, and, being useless and troublesome to care for, would rapidly be discarded for sensible things. Few houses would contain fully equipped kitchens, and many would not even have dining-rooms at all, the occupant living entirely at the public dining apartment, or buying meals from the public kitchen adjoining it. True, all women would be taught the rudiments of cooking, but the saving in this one branch, by co-operation, would be enormous. It would mean an emancipation for women, greater than that brought

about by the spinning-jenny, the power-loom and the sewing machine. We go out to school, to church, to theatres and to business, and why not go out to meals if the walk was short or the car fare free? Besides every family might own a motor carriage of its own.

All houses would be detached and built with an eye to comfort. Any head of a family might order a house to his taste, or he could buy materials and build for himself, if he chose to do it on his own time. The rent would be in proportion to what the public had invested in it, and he could not sell it to another, but might bequeath it, together with his personal belongings. I would be disposed to make this one exception to public ownership of property, because I know that attachment for one's home is almost equal to his affection and love for his kindred.

In pricing any article, the amount of labor expended in producing it would be considered. Our decimal system of money value would be retained, but simply as a unit of measure. No one having anything to sell except the government, there would be no need for a medium of exchange. At the

end of the year all unused credit would be void, except for special reasons, such as a probable heavy expense for some specific purpose. If one wished to travel abroad, or for some equipment for private study, etc., he might be allowed to save for one or two years, but parsimony would be frowned upon, and not considered a virtue as it is now. Besides the estimate for the new year would require that no considerable amount of credits be outstanding. None need save for the future, nor deny himself any of the comforts of life, on account of his family. All schools would be supported by the nation, and be uniform in their curriculum and grading. Every child would be required to attend the common school, the high school and also the academic departments. Those who desired and showed an aptness for it would be allowed to take a course in the professional schools. Courses of general instruction would also be given for the benefit of those past the school age, but who wished to pursue their studies further. In fact, every sort of encouragement would be given to intellectual development. After reaching the limit of school age, all except those choosing profes-

sions would be enrolled in the industrial army and would receive full credit allowance. They would enter the unclassified service for two or three years, and be liable for any kind of duty at any place that the general weal required. After this time, they would be allowed to choose their vocations, so far as possible, and their record up to this time would decide who had the preference, in case more chose one line than were needed. A second and even third choice might be indicated by each one, in case of failure to enter the first line chosen. As disagreeable labor of all kinds would be rapidly eliminated when it had to be done by people of intelligence and who also had the resources to improve it, and as the harder kinds of work would require shorter hours or give longer vacations, a balance could easily be reached. Very few people to-day are able to follow the callings they prefer. This is evidenced by the large number who are engaged in dangerous and disagreeable occupations at small wages. For every one who now succeeds, many fail, but we do not hear of them or attribute their failure to our economic system.

At the age of forty-five or fifty, the active work-

ers would be mustered out. They would still draw their pro rata share of the credit, but be free to enjoy their declining years. It is designed that the active workers shall have less than their product in order that the children, the unfortunate and the aged, shall have their proper support. Those who were on the retired list would still have the duty of supervising the promotions in the industrial army, each guild attending to its own occupation. They would also be liable for judicial and legislative duties, and would act as counselors and advisors when required. They would be the only ones to enjoy full economic freedom, the perfection of liberty. Thus it would be possible for every man and woman to enjoy an ideal existence, during the afternoon of life, and not have to look forward to it with a dread and fear of want and dependence, as the great majority now do. Old age would not be the dreary part of life, and smiles would replace the lines of care in many faces. The saddest picture that human pen can draw is old age, coupled with poverty or dependence. Why should we hold to a system of living that so often makes death a welcome messenger, or prefers it to life?

I fully realize that the foregoing is only an outline of what socialism stands for. Many details are purposely omitted, because they are always the product of conditions, which constantly change. Nor have I pictured a world far removed from our own, in the matter of intelligence and resources. None of the changes suggested are so radically new as we are often disposed to think. We have much of co-operation in the world to-day, and the tendencies of our times are continually making in that direction. The firm, the corporation and the trust, are all steps by which production is constantly tending toward a co-operative basis, and what is needed most is a just scheme of final distribution. Here co-operation ends, and selfishness begins. For there is, in modern business, no pretense even of fair dealing in this regard, and the one who most effectively appropriates the earnings of others is considered a successful man and is held up as a model.

*“What I would be unwilling to do for another, I will not ask him to do for me”* ought to be the motto of the true socialist, and although it may be

the golden rule, alloyed with practice, it will, like other alloys, only serve to make it applicable and to wear better.

In connection with this part of my subject, I wish to describe and in some cases criticize some of the many other propositions which have been advanced for the betterment of society. As the first and in fact all the great reforms will need to come through the government, (the laws being to blame for our present growing troubles) it is highly necessary that the people shall have complete control of legislation. Government ownership is desirable only in case the people own the government and have it at all times under control. Under our form of government, this can only be brought about by means of the initiative and referendum. As some of my readers may not be familiar with the meaning of these terms, I will devote a few paragraphs to them. The initiative means that a reasonable number of citizens of the city, county, state or nation may draft a bill and demand that the legislature act upon it, and that if it fails to pass that body, a still greater number may demand that it be referred to a vote of the people, the majority mak-

ing it a law or rejecting it. The referendum provides that any law, passed by the legislature, may at the request of a certain number of citizens be referred to the people for approval or disapproval, their majority vote deciding its fate. This system practically destroys lobbying, and tends both to purify law-making bodies from financial corruption, and also to interest the masses in law-making. It puts the government directly in the hands of the people, and the masses have to become corrupt before the laws become oppressive. Switzerland, New Zealand and parts of Australia have now adopted it. In our own country, Illinois, Oregon, Utah and South Dakota have recently voted in favor of it.

It is thoroughly successful in every case. It makes legislatures simply advisory bodies in law-making and laws passed by them seldom require to be questioned. From recent experience, it might be well to apply it to our judiciary also.

Another of the most practical reforms is the so-called single tax, as elaborated by Henry George. Briefly described, it proposes to take as a tax the value in location or natural wealth, that land has

by reason of the demands of society. For instance, in chapter one, we saw how one of our pioneers received \$1,000 for the sake of his location in the settlement, while another owning, a town site and water power, made a fortune out of his farm by selling it off in small lots. Still another, by owning a lime-stone quarry, was able to oppress his neighbors beyond reason in the price of lime. These values were not created by the owners of these properties, but by a society at large. The single taxers propose to use this value created by society, for the benefit of society, by taxing this value only, and relieving all other forms of property from tax burdens. Society has never received a more just or reasonable proposition. If what an individual creates belongs to him, surely what society creates should belong to society. As this value, or its interest, namely, land rent, would probably furnish more than ample tax revenue, all other taxes could be omitted. Hence, it is called the single tax. This reform has the further advantage that it taxes only visible property, which cannot escape by falsehood or fraud. It puts a premium on the use of land, instead of on the dis-

use of it, as at present is done. It would force land to be used or abandoned, thereby making it practically free. It would injure no one but the speculator, and would effectually curb landlordism. It is the most far-reaching and potent of all reforms so far proposed, which do not destroy private ownership of property. The ignorance of the people as to its true value and justice is all that prevents its general adoption. Socialists, generally, will welcome its application, as a long step towards the ideal in society. We do not believe that it will be sufficient for all the ills of society, because it still leaves the ownership a part of the implements of production in private hands, and thereby allows the rich to oppress the poor.

*The reform that does not strike at human selfishness, as well as injustice, will never be entirely effective.* If manufacturing and transportation are left as they now are, and the accumulated wealth be allowed to draw interest and dividends, then single tax carried to its ultimate limit of freeing the land entirely will not prevent class formation or the continued concentration of wealth. Many are disposed to think that single

tax is a tax on land only, regardless of its value, and that it is a scheme to fleece the farmers, but such is not the case. The value of city land, in some states, greater than that of the rural districts. In New York state, over 75 per cent of the value of bare land is inside of corporate limits, and in Massachusetts, over 87 per cent. Not many counties in New York state, exclusive of towns, would buy one acre in the heart of New York City, using the land without improvements in both cases. Again, it is argued, and with some show of truth, that the great factories and accumulation of wealth would go untaxed. While this at first seems wrong, yet a careful analysis will always show that wealth pays little or no tax now. Labor pays it nearly all. The ones who use the wealth are required to pay not only for its use, but also its tax. So any burden put upon the manufacturers, or any human industry, eventually is paid by the toiler, and furthermore, it taxes just the thing which ought to be encouraged.

*However, it is not a "single tax on land values for the use of government," which the civilized world needs to-day, but a "single tax on men's*

*abilities for the use of humanity."*

One is no more a social product than the other, and the latter is the primary and active factor in all progress and human happiness.

Another institution for the benefit of labor is the trade unions, brotherhoods and federations of labor. In as much as these organizations do not propose to radically change our existing economic relations, but are largely combatative for economic gain, they are not truly reforms. Their tendency to mutual helpfulness and their practical service to labor in aiding it to get a fair share of its product, merit our sympathy and commendation. Their work is along the right line and as a practical temporary relief from capitalistic oppression is eminently satisfactory. Organization always means an increase of power and must be wisely used in order to be a benefit. Wise and conservative management is here demanded in order that this great power be wielded for good. Monopolies of labor may become oppressive, as well as those of capital, if used selfishly.

It is a duty which labor owes to its posterity to search out the cause of its warfare with capital and

if possible abolish it. So long as warfare continues, the accumulation of intelligence crystalized in machinery and the further accumulation of interest and profit bearing wealth, will put labor at a greater and greater disadvantage. *Strife and contention are not, or ought not to be, attributes of humanity. They belong to the animal world and can accomplish only the same results as animals accomplish.* Labor should ever remember the oft quoted adage of Gen. U. S. Grant, "*Great men reason; little men fight.*" If he, the greatest fighter of modern times, could look upon strife in this light, ought not labor begin to use its reason more and its fists less? We can never cure impure blood with poultices.

Another proposition for reforming society, but which has usually met with failure, is communism. This is often confounded with socialism, but nothing could be wider apart than they are in many essential features. Communists differ largely in their specific views of reform but, for the most part, have some central hobby, around which all else revolves, and to which all else is subordinated.

This is usually a religious creed. The communities are generally founded by fanatics and peo-

ple of narrow views in political economy. Their followers are usually of an ignorant and often ne'er-do-well class. They ignore the fact that they are surrounded with adverse conditions. Their resources are limited and by reason of it, they are obliged to come constantly in contact with outside influences. They often ignore the home, and live in a common dormitory, eating at a common table. Family ties are, in some, extremely loose, and the principle of natural selection, (animal instinct,) is given full play, with the result that the unfavored ones are soon dissatisfied. The religious fervor of the members often holds a society together for many years, and some of them are still in existence. Most of them were financially successful, as long as properly managed. Some of them were closed corporations, while others were merely held together by religious ties, leaving private property alone, and giving the individual full power of initiative. Such is the Mormon church to-day. While co-operating in spirit, the church is not the real owner of the property, and charity finds its victims here as elsewhere. Rich and poor dwell in the same city, but the religion is

practical enough to forbid the extremes of poverty found in eastern cities. I seriously doubt if the unorganized pioneers of the west could ever have done with the wilderness about Salt Lake what the organized Mormons have accomplished. Their success illustrates what partial co-operation can do, even under adverse conditions.

Communism usually has a limited scope, and a narrow view of the needs of humanity, and furthermore, it usually starts out with the fettering of one's intellectual liberties. It is necessarily local in its application and must be surrounded with opposing customs.

When there is poison in the system, coming from impure food and drink, it is folly to poultice a hand or a foot, hoping to extend the poultice when the poison from that part has been removed. This is what communism tries to do. Socialism, on the other hand, while not denying the virtue of local applications, for acute local pains, proposes to eliminate the poison in the only rational way, namely, by purifying the food and drink, and improving the sanitary environments. This once done, the whole system will care for itself and

throw off the poison through the adequate and proper channels. Not only this, but it will keep in a healthy condition, so long as thus supplied, Rational socialism is not confined to any one village, county, state or nation. It is as co-extensive as civilization and intelligence. It strives to reform society by eliminating the bad which is in it and retaining the good, by ridding it of the poison of selfishness, which now courses through all veins. It does not propose to destroy the present diseased body, as anarchy does, with the hope that the one taking its place will be better, even if fed on the same impure food. Neither does it propose to shut its eyes and lay our present disease to divine providence and simply hope for a better life in the spirit world, without trying to live right in this, as some creeds have proposed. It proposes the only rational remedy, that of eliminating the poison in the blood, selfishness, by abolishing its result, private capitalism. It proposes to organize society by the higher human law of love and liberty, rather than leave it governed by the animal law of the survival of the strongest which has now come to mean the wealthiest.

This leads me to another phase of the subject, the progress and present condition of socialism in the civilized countries of the world. For convenience, I will separate it into two parts, first, the political side of socialism, and second, the economic or material side:

Most people are apt to look upon socialism as a political fad, similar to populism, prohibition, etc. They do not recognize in it anything but a well-meant, but useless struggle of the oppressed, for a better condition of existence. Few are they, indeed, who fully understand its basic philosophy, or its far-reaching aims. People of the United States are apt to think it a purely American idea, which is connected in some way with anarchy or trades unions. As a matter of fact, it is centuries old in principle, but is modern in its development. It is at present a prominent factor in France, Germany and other European nations. Socialists in Germany now poll over two million votes, and show a steady increase since 1871. They now have nearly a majority in the national legislature, and control many of the principle cities.

In France the Socialists now number over one

million voters, and 140 legislators are chosen by them.

In England the principles of socialism are strong but it has not as yet made as much progress as a separate party. Its influence has, however, been felt in many ways, and its demands are often embodied in legislative acts.

Belgium, Denmark, Italy and Switzerland, are strong socially, and the influence is felt in each government. New Zealand and Australia are in advance of Europe in this line.

In the United States the growth has been more recent, but not less rapid. In 1900, the total socialist vote was 86,000, and in 1902 was over 350,000. This is a gain of over four hundred per cent in two years, and those years of so-called prosperity at that. These votes were not localized or confined to any industry, but came from the country as well as the town, and represent sober, second thought on our modern industrial conditions.

Ohio gave 15,000, Illinois 25,000, Minnesota 12,000, California 12,000, New York 32,000, Massachusetts 40,000, etc., so that no local condition is responsible for the growth. The more

thoughtful and intelligent of our people are beginning to realize that it is all but useless to talk of regulating trusts. The fact that none of our so-called great men agree as to the remedy, shows their helplessness. They blindly say, "be good and something will happen." Literally translated, their advice seems about this: If there is anything good in trusts, help it along, if bad, get rid of it some way, but whatever you do, be careful, or we will have a panic.

At this point I wish to insert the declaration of principles of the nationalists, or most advanced socialists.

"The principle of the brotherhood of humanity is one of the eternal truths that governs the world's progress on lines which distinguish human nature from brute nature.

The principle of competition is simply the application of the great law of the survival of the strongest and most cunning.

Therefore, so long as competition continues to be the ruling factor of our industrial system, the highest development of the individual cannot be

reached, the loftiest aims of humanity cannot be realized.

No truth can avail unless practically applied. Therefore, those who seek the welfare of man must endeavor to suppress the system founded on the brute principle of competition, and put in its place another based on the nobler principle of association.

But in striving to apply this nobler and wiser principle to the complex conditions of modern life, we advocate no sudden or ill-considered changes; we make no war upon individuals; we do not censure those who have accumulated immense fortunes, simply by carrying to a logical end the false principle on which business is now based.

The combinations, trusts, and syndicates, of which the people at present complain, demonstrate the practicability of our basic principle of association. We merely seek to push this principle a little further, and have all industries operated in the interests of all, by the nation, the people organized, the organic unity of the whole people.

The present industrial system proves itself wrong by the immense wrongs it produces; it proves it-

self absurd by the immense waste of energy and material which is admitted to be its concomitant.

Against this system, we raise our protest; for the abolition of the slavery it has wrought and would perpetuate, we pledge our best efforts."

I challenge the best reformers of the world to produce a grander or a nobler declaration than the above. The Magna Charta and the Declaration of Independence are alone in its class. It is the last and greatest of the three. Most so-called platforms are required to be explicit in their demands, and often things are omitted or inserted, which ought not to be. The above, however, embraces the basic principles of all the reforms along these lines.

There is also, of late, a considerable number of church workers who style themselves "Christian Socialists." The wonder is that more of them have never appreciated the socialistic doctrines of their leader and tried to apply his teachings. I am glad to say that several churches are beginning to realize their obligations to labor, and the cry for charity at home should indicate to them where the oppression is.

In concluding this part of my subject, I wish to say a few words relative to the politics of our time. Both of the great parties are dominated and controlled by capitalists. The last three presidential campaigns show how much more the leaders think of their money, than of their former principles. The tariff never has been a real issue before our people. It is simply a blind held up by capitalists to attract the attention of the people, while they perfect their schemes for exploiting them. Can any one give a valid reason why there should be a protective tariff against Canada, or England, in favor of the United States, and free trade between Massachusetts and Illinois? Illinois people are as different from those of Massachusetts as are the Americans from the English. Moreover, Illinois needs funds for her state expenses, as badly as does the general government. She also needs manufacturing as badly. Pray tell us, Mr. Politician, why protection was necessary to develop manufacturing in New England, as opposed to England, when free trade did the same for Illinois as opposed to Massachusetts? The plain facts are that manufacturing ultimately follows the raw material

and market, protected or not. The development in the cotton manufacturing in the southern states during the last ten years, has exceeded that of any other portion of the country, during double that time, and no protection was necessary to effect a change. Illinois is a great manufacturing state, because she has the raw materials at hand, and also the home market for the product. These conditions always draw manufactories, regardless of tariff or free trade. Why should we protect the product of a billion dollar steel plant, with a tariff, when this same plant is selling its product abroad for less than we are charged at home. We use a thousand dollars worth of its product for each one imported. Who, in this case, is paying the tax, ourselves or the foreigners? Is it not time that such infants were weaned? Capitalists have reached a point where they will make any sacrifice to carry an election, because they have found by experience that it pays them to do it. Labor can hope for but little from the present regime. Under private ownership of property, labor and capital, which should be twin brothers in production, are necessarily enemies. This is the great issue to-day,

and will remain the real issue until it is settled right. *Until labor owns the implements of production, it will never be free, and until it is free, it will never be contented and happy. The dollar sign must come after humanity and not before it.*

Before closing this part of my subject, I wish to give a short synopsis of the achievements of socialism, or co-operation, in a practical way. We are prone to think that because the socialist party is comparatively modern, that the principles for which it stands are also modern, but such is not the case. Co-operation and association are as old as civilization itself. Private ownership has ever been able to limit its application, however, to a comparatively small sphere. However, it is applied in modern times much more than most people think. Americans are quite apt to be egotistical regarding their political progress. As a matter of fact we now stand second to many countries in this line. New Zealand not only owns her railroads but much of her land as well. She also operates a large part of her life and fire insurance. She has universal suffrage, also the initiative and referendum. She keeps open employment agencies and

furnishes free transportation to those seeking employment. She employs surplus labor during the winter months on public works. She directly controls all her currency and was able to ward off the world-wide panic of 1893. She has a graduated income tax, also a graduated land tax, taxing at a higher rate large holdings, and especially those of alien landlords, while small holdings are mostly exempt. She owns her telegraph and telephones, as well as express and mail service. Her legislature is practically free from fraud and lobbying; her people are prosperous and contented, and are united in developing social reforms. Poverty is rare and beggary unknown.

Should New Zealand and the United States both continue in their present tendencies, it may not be impossible that the prediction will come true that, "the New Zealanders may one day sit upon the ruined tower of the Brooklyn bridge and gaze across a desert waste."

Germany, Austria, Belgium, Switzerland and some other European countries, own their railroads. Great Britain and many others own their telegraphs and telephones and also operate the parcel post.

Nearly all governments own their mail equipment to a large extent, and always operate the service. They also own their military and naval equipments and all buildings for governmental purposes. Many special functions are operated by the public, such as light-houses, life-saving stations, quarantines, etc. The common highways, canals and harbors, streets and sewers are public. Our schools, churches, libraries, hospitals, museums, asylums, courts, jails, reformatories, alms-houses, police and fire protection are all co-operative. Many insurance companies, both life and fire, are in the same line. Creameries and canning factories, as well as other kinds of factories, are often co-operative. In addition to this, many cities own their water works and lighting plants, and some their car lines.

Glasgow owns her street car lines, and has by such ownership and operation reduced the fares 33 per cent., reduced hours of labor and raised wages. Workingmen are carried for 1 cent, night and morning.

Prices of water and lights have been reduced in nearly every case by public ownership.

Our government, of which we so often boast, is

emphatically co-operative. Another social feature of modern business life should not be here overlooked, and that is co-operative business societies.

Great Britain has 1648 of these organizations, which last year did a total business of over 400,000,000 of dollars and distributed a profit of 45,000,000 of dollars. These enterprises include 3,000 stores, two of the largest wholesale houses in the world, eight steamships and many factories. These societies have reduced the average cost of distribution of products from over 33 per cent. to 6 1-2 per cent. of the retail price.

Switzerland has 3,400 such societies and their annual business exceeds 11,500,000 of dollars. One-sixth of the whole population are connected with co-operative societies.

Germany has 1,700 co-operative societies and their membership exceeds 2,000,000 people.

Austria has 5,092 co-operative societies with 212,000 members, and their annual business exceeds \$13,500,000.

France has 2,500 co-operative agricultural societies with 800,000 members; 1849 distributing societies, and 250 co-operative shops and factories.

Denmark has 1,052 co-operative dairies, which do an annual business of \$34,000,000. Also about 850 co-operative societies, the total membership of all being over 350,000.

The United States has recently taken up the work along this line, but is making rapid progress. Already one confederated concern has a capital of over \$1,000,000 and operates many stores. Intelligence, rather than enthusiasm, is controlling the movement, and we may confidently expect rapid and solid progress.

Every corporation, private or public, is a co-operation of members to accomplish some desired end. Should socialism be called revolutionary, because it proposes to add one more step and make the people joint partners in producing and distributing the other necessities of life? Surely we ought not to hesitate to improve and progress along lines that have always proved so successful and beneficial. Is there any legitimate reason why we should co-operate to such an extent as we do, and then stop at the most important point, for the benefit of a few capitalists? Especially is this act little less than criminal, when we consider the mil-

lions of innocent and helpless people made miserable by reason of it.

The few rich alone, who might be called on to sacrifice some of their useless luxuries, would not lose any of the comforts of life, but would be far happier surrounded by an intelligent and happy people. They would not need worry and fear the strikes, riots and revolutions of poverty, or the thief, the robber and the assassin. Neither would they need fear the treachery of those who were more powerful in wealth than themselves, an item of no small import.

“No truth can avail unless practically applied.”

Thus far I have endeavored to describe the principles of socialism and illustrate its truths. A progressive business man, however much he may be disposed to agree with any scheme, will promptly ask “Is it practicable?” If so, how can it best be applied? Here is the point where most reforms fail, and failing here, all is lost. The principles of association and co-operation advocated by the modern socialist have been thoroughly proved by experience. There is no doubt of their success, when applied to government and religion for that

is now an accomplished fact. Neither is there any doubt of the advantage of their application in the production of wealth.

Our modern corporations and trusts are so successful that most of them are capitalized at double their cost, yet pay handsome dividends where the former independent concerns were sometimes run at a loss. The really novel feature of socialism is in its scheme of equal distribution. In order to thoroughly systematize production and transportation, at least so far as manufacturing is concerned, it will only be necessary to allow the present forces to act a little while longer, and then let the government take control of the surviving corporation. No sensible person wishes to see our present system abolished in a day, or to cause unnecessary loss and suffering. Many people propose confiscation of capital on the grounds of unjust privilege in its accumulation, but we should remember that it is our laws, rather than the capitalists acts, that are to blame. Real progress is always by evolution and not by revolution. The people are not yet ready for the entire change, but are ready for a beginning, and it is highly desir-

able that they have a clear conception of the cause of our present troubles, the end to be ultimately attained, and the methods to be used.

Education is, therefore, the first requisite. Our institutions are founded largely on popular sentiment, and this sentiment must be crystalized into an ideal, which condemns the present wrongs and demands their righting.

As our civilization is extremely complex, so must the method of reform be more or less varied. We must not repel any effort which tends in the right direction. Their work may be limited and specific, but is none the less necessary. No single agency will reform the world. If schemes are irrational and useless, it is better that they have an opportunity to demonstrate their weakness, and those which are only local and benefit a few are better than none at all. It is all in the line of necessary education, and serves to furnish mistakes for the guidance of future progress.

As the socialists have never, in this country, at least, promulgated any fixed scheme of change from present conditions, I shall adopt those which seem to me the most rational.

First, the initiative and referendum in all legislation. Without this, there is but little hope of a peaceful adjustment of economic troubles.

Second, the direct issuance and control of all money by the general government.

Third, the government ownership of all railroads and other transportation facilities employed by the public, and also of all telegraphs and long distance telephones. The municipal ownership of all public utilities requiring franchises and the government ownership or control of all natural monopolies, such as coal fields, oil or gas fields, etc.

Fourth, the establishment of the single tax for all general revenue purposes.

Fifth, a graduated income and inheritance tax for the benefit of higher education.

These reforms, together with the rapid growth of co-operative societies would relieve us of many of the ills of modern conditions. However this may be, we should still have great wealth in private hands in money, buildings and factories and poverty and extreme wealth would continue. So long as one person owns the implement with which another is obliged to toil, and so long as that im-

plement absorbs a part of the product of that toil, capital will accumulate in private hands and labor will be oppressed.

In my humble estimation there is but one way by means of which collectivism can supercede private capitalism without force and that is by universal and simultaneous application.

If any civilized country were left under private capitalism while socialism is applied elsewhere then the capitalists will go there, taking their capital with them, thereby making it much more difficult to obtain possession of the vast wealth now owned by them. If all civilized countries or at least the leading ones act in harmony force can be entirely avoided. The most hopeful sign of the socialistic times is that socialism is co-extensive with civilization and is evidently the result of earnest thought and true christian ideals. Socialism is only the evolution and right application of government, and must come as the result of firmly fixed ideals of economic liberty and justice.

It is a moral as well as an economic movement, and can better afford to wait the growth of right sentiments than to act hastily

without them. Enlightened morality is seldom the product of legislation, or force. Forty years of experience along this line is making our government cautious about enfranchising its recently acquired Island wards.

Eventually all co-operative enterprises, as well as some others, would be absorbed by the government, which would now have in its employ an aggregate of over two million men. These, with their families, would comprise nearly one-eighth of the whole people. The government would now organize its industries, as before described, and would introduce a special script in paying its employées, which would be the only money that would be taken at the government stores, in payment for goods. The government would buy such goods as it did not produce with regular money, which it received from its earnings, and taxes. The script would rapidly command a premium over the regular money, as it alone could buy at the cheaper government stores, where goods would be sold at about cost. This system would not interfere with the outside business any more than necessary and would leave people free to choose their employer

or merchant. The tendency would be to induce people to work for the government, and everything would be done with that end in view. As the government holdings increased, and its business expanded, labor for private enterprises, would become more and more scarce, and money more plentiful. Wages would rise and interest rates would fall. The premium on script would increase. The government having constantly less and less to buy would have more regular money to expend in buying new plants, etc. Up to this time the various employees would have received wages, according to their skill and ability. They would have lived in their own homes and paid taxes, rents, etc., as at present.

When, however, industry had become sufficiently organized, and the sentiment of the people demanded the change, the private property of the employees would be taken by the government, credit cards would supersede the script, and each would share alike. The other reforms described would then be instituted as fast as possible.

The co-operation of other civilized countries would be highly desirable, and, judging from

present appearances, it will not be found wanting when needed.

*The triumphal arch of human liberty must spring from truth and justice. Economic-equality will be its key, the stone last put in place, and which alone will give it strength and permanence.*

This scheme seems feasible and rational, but whether it is or not, we are at least nearly, if not quite, ready to begin. The way is being rapidly prepared by the concentration of our railroads, manufactories, telegraphs and telephones, for the first great step in public ownership. As our government increases in usefulness, by expanding its functions in behalf of the people, more and more men of character and real ability will devote their best energies to its service. The professional politicians will be succeeded by statesmen, philosophers, scientists, engineers and business men. These will bring with them both the ability and the honesty, necessary to carry on the work desired.

I am fully aware that the first years of this regime would offer vast opportunities for fraud, but when we consider the relatively small amount of loss from this cause, in our present enormous

expenses of the government, and further that the increase would be along lines well adapted to systematic operation, we need not allow this to frighten us.

The present expenses of our government are enormous, compared with those of fifty years ago. Many departments have been added, which annually expend more than did the whole government at that time. Nearly all of the regular organized departments are now operated with reasonable economy and but little loss from fraud. It is only in the irregular work that errors creep in.

Then again, we should remember that in a large majority of our great industries, the men who really manage them are not the owners, but salaried men. Sometimes the managers are small stock-holders, but the owners of large amounts are seldom active in the management and often have nothing at all to do with it, while the small stock-holders are not even represented by proxies. Yet there seems to be no trouble in carrying on these industries. We have already thoroughly learned the art of organizing business enterprises. Then, too, we should remember, that it is far easier to manage large

concerns, in proportion to their output, than many small ones. The difficulties become less and not greater.

I have shown that we have already adopted co-operation in many of our enterprises, always with success. I have also shown that we have little or nothing to hope from our present economic system. Increase of wealth now brings increase of poverty and crime. The implement of production now gets so large a share of the product, over fifty per cent. in transportation and manufacture, that having little expense, it constantly increases its own power. Labor on the other hand, is a heavy consumer, carrying all the burdens of society, yet it receives only enough to partly meet the demands made upon it.

Machinery is the accumulated product of all past human intelligence, and should rightly be the heritage of the labor which uses it. We scorn to allow capital to own a living man to-day, but we make no protest at its owning absolutely the product of the man of the past.

An automatic machine often represents many times more intelligence in its construction and oper-

ation, than does the child who feeds it. When we allow capital to own the machine, we put the operative at a heavy disadvantage. *Labor's product ought to be labor's inheritance. The accumulation of intelligence, crystallized in machinery, ought to be an assistance and not a burden to labor.* We have made noble sacrifices to emancipate the intelligence of the present. Should we not also make some effort to emancipate the result of the intelligence of the past, and return it to its rightful heirs?

*Should we not also make man's service to his fellow man his moral obligation and loftiest ambition, rather than leave it, as it now is, a secondary product in the accumulation of wealth?*

The spinning wheel and the hand loom, which our mothers used, have now become the spinning jenny and the power loom, which use our daughters. The stage-coach, which our fathers owned, has now become a railway, which, economically, owns our sons. It has been a transformation scene on life's stage, so sudden and so dazzling that the people's eyes are only beginning to perceive the real character of the new setting. The memory of the beauty of former scenes still lingers, while

the strangeness of the new one is yet bewildering. We are apt to be disappointed with what is new and strange, but we should remember, with the great poet, that our vision is limited and "Oft times celestial benedictions assume this dark disguise." *The machine and the trust are not our enemies, but in reality our best friends. We must get intimately acquainted with them, and make them our very own. It is not their fault if we fail to adopt and use them, but ours.* We should not praise the man behind the gun, in warfare, and neglect the man behind the machine in time of peace. One is no more essential to victory than the other. We must learn to put a true value upon both intelligence and on the implement it uses; on labor and on capital, on God's handiwork and on man's.

We often hear the term paternalism used in connection with government ownership of wealth. I wish to correct this impression. It is not paternalism, but fraternalism, which socialism seeks. Labor is not a weak child, that it needs protection and care. It has never played the baby, as capital has often done, but has ever been a courageous, self-sacrificing brother, who only demands that condi-

tions be so ordered that he may work in harmony and peace and enjoy what he himself earns. Paternalism may be necessary for the politician and the capitalist, but fraternalism is all that labor asks. As children of one God, we have the right to this by inheritance, and justice will not deprive us of it.

\* *Any government which directly or indirectly fosters human selfishness and promotes conditions which tend to separate men into classes, is the enemy and not the friend of its subjects.* Just governments are instituted for the benefit of the people, and not for the benefit of capital. How far our own government has strayed from these early ideals, I leave the reader to judge. As to the best methods of righting the wrongs, opinions differ widely. One thing should be recognized by all reformers, and that is, the good that others are doing. Our civilization is complex and all parts must be reached. Some people can be reached best through their intelligence, and some through their physical desire; some through hope of reward, and some through fear; some through love and duty, and some through hate and revenge. The true reform-

er should not despise the aid of any one who seeks the betterment of human conditions, but strive to idealize and harmonize the efforts. Trades unions, fraternal societies, political parties, churches and charity organizations all have their mission of education to fulfill. Nor should we be discouraged at slow progress. It is an old adage that it is always darkest just before dawn. The extreme oppression of the church in the dark ages caused its overthrow, as no other means could have done. The tyranny of King George did more for political liberty than any other one cause. So, too, the oppression of labor and the arrogance of capital as illustrated in the recent strike, if properly interpreted, may react to the ultimate good of economic liberty and justice. *Intelligent manhood is beginning to realize that no man-ordained priesthood or church is necessary to mediate between him and his God. He also recognizes that no self-appointed or hereditary ruler is necessary to good government. He has yet to recognize that capitalists, separate and apart from labor, are not necessary for industrial enterprise.*

*Religious liberty, through scientific knowledge,*

*has taught man that he is not at war with God. Political liberty, through equality in our democratic institutions has taught man that he is not at war with government. Economic liberty, through co-operation and equality in wealth, will teach man that he is not at war with his fellow-man.*

*As ignorance and superstition are rapidly giving way to knowledge and truth, and as tyranny and oppression are being superseded by personal rights and civil liberty, so, too, selfishness must give way to love and humanity at last be free.*



“Through the harsh noises of our day, a low sweet prelude finds its way;  
Through clouds of doubt and creeds of fear, a light is breaking calm and clear.”

## APPENDIX.

There are some statistics that may be of interest, which are not given in the foregoing chapters, hence, are appended here. The census returns for 1900 are not yet completed, and statistics on sociology are rare in any event. The following are taken from the census returns, Bureau of Labor reports, and Inter-State Commerce Commission and other reports. As all figures are approximate, I have used the round numbers only:

## AGRICULTURE.

Number of farms in United States . . . . .	5,739,000
Total value, including stock and tools	
.....	\$20,439,000,000
Gross proceeds in 1899 . . . . .	\$3,705,000,000
“ “ per farm (average) . . . . .	\$645.00

RAILWAYS. (*Advance Preliminary Report.*)

In 1900, the total mileage, about . . . . 196,000 miles.

Controlled by five great combines,

about . . . . . 160,000 miles.

Total gross earnings.....	\$1,711,754,000
Operating expenses.....	\$1,106,137,400
Net earnings.....	\$605,616,000
Number of employees, about.....	800,000
This shows an average product, per man of.....	\$2,139.00
Total value as capitalized.....	\$11,800,000,000
Total value controlled by five com- bines.....	\$9,000,000,000
Net earnings nine per cent greater than previous year.	

Net earnings equals five per cent on total stock.

Average freight rate, seven mills per ton mile.

There were 13,700 miles of railway merged in  
1899.

#### MANUFACTURING. (*Census 1900.*)

Total capital employed (stock issued, etc.,) .....	\$9,835,000,000
Stock (raw material )used.....	\$7,348,000,000
Total product.....	\$13,000,000,000
Wages paid.....	2,328,000,000

Average number of wage earners. . . . . 5,316,000  
 Average wages. . . . . \$438.00

The product per total capita has increased about 300 per cent in forty years. In 1860 it was \$60. In 1900 \$172.

The number of concerns in the following lines decreased during the past ten years (agricultural implements, boots and shoes, glass, iron, leather, woolens and slaughter houses.)

In 1900, 450 factories employed each over 1,000 hands.

Clothing operators produce \$703 per capita, annually, and receive in wages, \$370 per capita average.

#### TRUSTS IN MANUFACTURE TO 1900.

Number reported, exclusive of steel trust. . . . . 183  
 Actual capital employed. . . . . \$1,458,500,000  
 Authorized capital employed. . . . . \$3,607,000,000  
 Issued stock and bonds. . . . . \$3,085,000,000

Over fifty per cent of trusts have been chartered between January 1st, 1899 and June 30th, 1901.

## CORPORATIONS FORMED IN NEW JERSEY.

1896, number chartered,.....	834
1897, " " .....	1059
1898, " " .....	1103
1899, " " .....	2821
1900 " " .....	1987
1901, " " .....	2347
Total capitalization, over.....	\$4,000,000,000

The total product of 183 trusts in 1899 .....	\$1,661,000,000
Raw materials used.....	\$1,085,000,000
Actual capital employed.....	\$1,434,000,000
Wages paid.....	\$195,000,000
Average number employed.....	400,000

The average product of labor employed  
by the trusts in manufacturing is.....\$1,440

This shows forty-four per cent increase over the  
average in all manufacturing.

The average capital per employee in trusts.....	\$3,585
in all manufacturing.....	\$1,850
in railways.....	\$14,750
in agriculture.....	\$3,560
Average wages of trust employees, per annum.....	\$487
Average product of trust employees.....	\$1,440
Profit on \$3,585 actual capital.....	\$953
	(over 26 per cent.)

The productivity of labor engaged in manufacture has increased fifteen per cent in ten years. The present average per operative is about \$1,000 per annum.

Capital interests draws over 66 per cent. of the products.

Operating expenses outside of wages should be deducted.

The average wage of all wage earners is not far from \$450 per year. (Allowing one per farm.)

The average product per wage earner in the above industries is about \$900 per annum (allowing one per farm.)

The average gross income from production per total capita for all occupations is probably not far from \$200. This excludes interest and rents, etc.

Twelve per cent of all the boys under sixteen and over seven years old are employed in wage earning industries. Six per cent of the girls under fifteen are so employed. As high as thirty per cent in some Southern mills under twelve years old, their average wages being \$1.43 per week. In Massachusetts there are, in the seven principal manufacturing industries, 60,000 workers under 21 years. 30,000, one-seventh of all those workers, get less than \$5 a week.

The public debt of the United States, the several states, countries, cities and towns, in 1890, was \$2,027,000,000.

The foregoing figures, while approximately correct for the fields covered are still incomplete. It is difficult to analyze the complex expenses and receipts of our modern industries. It is unfortunate that our statistics do not go more fully into the sociological features of our civilization. There are some lessons that may

be learned, from a study of the figures given, however, and the tendency of modern times is clearly shown. That it is toward centralization of control, wherever possible, is indicated, also the reason for it, namely, the vast increase in the productivity of labor, thus organized. Note the results of the farmer and trust employee, both of whom use about the same capital. Also note that the increase of capital used in railroading, or by the trusts, also increases the product, per capita, while wages remain nearly constant. Another interesting fact is that the total capital engaged in railways, manufacturing and agriculture, is only \$42,000,000,000. If we add to this, shipping, telegraphs, telephones, merchandise on hand, trolley lines, etc., estimated at about five billions, we still have nearly one-half of our total wealth wrapped up in urban real estate. A much larger amount than most people imagine.

It is reasonable to predict that if all our production and distribution were organized, as thoroughly as some of our industries are, that our present plant and abilities would give to each one at least three times the amount now earned. In other words

every family of five could have at least three thousand dollars per year. This result can only be brought about by the same means as those used by our trusts and railroads, namely, centralized control, no waste time or capital, no interest, rent or dividends, and finally an equal division of the product.



**ECONOMIC\_\_\_\_\_**  
**LIBERTY\_\_\_\_\_**  
**VS.\_\_\_\_\_**  
**THE\_\_\_\_\_**  
**WARFARE\_\_\_\_\_**  
**OF\_\_\_\_\_**  
**WEALTH\_\_\_\_\_**

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**The Trust and Labor Question and  
its Rational Solution.**

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