

## CHAPTER XII.

## CHEAPNESS!

O, God! that bread should be so dear, and flesh and blood so cheap.—*Hood.*

Ah me, into what waste latitudes in this Time-Voyage have we wandered, like adventurous Sinbads; where the men go about as if by galvanism, with meaningless glaring eyes, and have no soul, but only of the beaver faculty and stomach! The haggard despair of Cotton Factory, coal mine operatives, Chandos Farm labourers, in these days is painful to behold; but not so painful, hideous to the inner sense, as that brutish God-forgetting, profit-and-loss Philosophy and Life-theory, which we hear jangled on all hands of us, in senate-houses, spouting clubs, leading articles, pulpits and platforms, everywhere as the Ultimate Gospel and candid plain-English of Man's Life, from the throats and pens and thoughts of all-but all men!—*Carlyle.*

Besides the theory of waste, we have another aspect of cheapness to consider.

The defenders of competition say that competition lowers the price of commodities to the consumer, and they tell us that "as we are all consumers, what is good for the consumer is good for all."

This is not true, John Smith; for, though we are all consumers, we are not all producers.

Remember, John, that the consumer is the *user*, and though he is called the "buyer," he is more frequently the "taker."

But the producer is the maker—the worker. The interests of these two classes are not the same. It is the interest of the buyer and the taker that the things made by the worker should be sold cheaply. But it is to the interest of the worker that the things he makes should fetch a high price.

The stupid party will tell you, John, that since you have many things to buy and only one thing to sell, it is to your interest that all things should be cheap.

That looks plausible. But, John, what is the one thing you have to sell? It is your labour. And with the money you get for your labour you have to pay for all you get.

Now cheap goods mean cheap labour, and cheap labour means low wages.

You have nothing but your labour to sell, and you are told that it will pay you to sell that cheaply.

Go to a manufacturer and explain to him that it is to his interest to sell his woollens cheap, and he will call you a

fool. Tell a greengrocer that it is to his interest to sell his cabbages cheap, and he will throw one at you. Why, then, my hard-headed friend, do you believe that your interest lies in selling your labour cheap?

You don't believe it. No, what you believe is, that it is to your interest that the men of other trades should sell *their* labour cheap.

But there you may be mistaken. For instance, farm labour is cheap. Hence cheap bread. But hence also the rush of farm-labourers to the towns. Which causes an increase in rent, a decrease in health, and supplies a large bulk of blackleg labour with which the capitalist can defeat you when you strike.

And now let me explain this matter clearly and fully.

In a country where the users were all makers prices would not matter. Suppose you are a weaver, I am a farmer. I give so much corn for so much cloth. If I raise my price you raise yours. That is to say, we simply exchange on equal terms.

But in a country where some of the users are *not* makers, it is to the interest of the makers that prices should be high. Thus:—

You are a weaver, I am a farmer. But you work for a cotton-lord, and I for a landlord. We have now four consumers, and only two producers. That is to say, that you and I have now each only one person to buy from; but we have each three people to sell to.

I buy cloth from you, and I sell corn to you, to the landlord, and to the cotton-lord.

You buy corn from me, and sell cloth to me, to the landlord, and the cotton-lord. Thus:—

Weaver's	{	Landlord.		Farmer's	{	Landlord.
Customers		Cotton-lord.		Customers		Cotton-lord.
		Farmer.				Weaver.

I produce one quarter of wheat and sell it at 40s., of which I pay 20s. in rent. You make one piece of cloth and sell it at 40s., of which your employer takes 20s. in profits. Here is the account:—

One quarter of wheat.....	{	Rent	20	}	40
		Wages	20		
One piece of cloth .....	{	Profit	20	}	40
		Wages	20		

Now when that is sold you will find that each of the four persons gets one quarter. Thus:—

By sale of wheat to Landlord .....	10
to Cotton-lord .....	10
to Weaver .....	10
to Self.....	10
	—
	40
	—
By sale of cloth to Landlord.....	10
to Cotton-lord .....	10
to Farmer .....	10
to Self .....	10
	—
	40

Now suppose we raise the price 50 per cent. and see how it works out:—

One quarter of wheat.....	{ Rent 20 } 60
	{ Wages 40 }
One picce of cloth .....	{ Profit 20 } 60
	{ Wages 40 }

And we sell it, as before, each to his three customers and himself:—

By sale of wheat to Landlord .....	10
to Cotton-lord .....	10
to Weaver .....	20
to Self .....	20
	—
	60
	—
By sale of cloth to Landlord.....	10
to Cotton-lord .....	10
to Farmer .....	20
to Self .....	20
	—
	60

You will see that the landlord and the cotton-lord now only get half as much corn and cloth as we get. How is that?

It is because the price of the goods has been raised, but the rent and interest have not been raised. The two idlers have still the same money to spend, but it will not buy them as much. Whereas at the low prices we, the workers, only got one-half of our earnings, we now get two-thirds of

our earnings. Whereas the two idlers got one-half our earnings they now only get one-third of our earnings.

This means that we have doubled our wages. It means that the value of labour has gone up, and that the value of money has gone down.

Before we can go any further, I must show you my method of dividing the nation into three classes, instead of into two classes as is usual.

You are used to the common division of the people into two classes, thus:—

1. The rich idlers.
2. The poor workers.

And you too often suppose that only the idle rich are useless, and that all the workers are useful.

This is an error. By this division you get a small class of non-producers and a large class of producers.

But if you add to the idle rich all the domestic servants and other people who wait upon them, you will find a large class of non-producers and a larger class of producers.

But then again you must sub-divide this large class of producers into two classes:—

1. The producers of useful things.
2. The producers of useless things.

And you will find that a very large number of the workers are really the servants of the rich, and are working at the production of things which only the rich use, and are supported upon the wages which the rich pay them.

Now the rich pay them with the money which they, the rich, get from the class of the producers of necessaries.

A landlord owns an estate and employs two men to cultivate it. We have here only two workers; but we have three eaters. The two men have to keep three.

But if the landlord takes away one of the farmers, and employs him to build the landlord a house, we have then only *one* man producing food, but we have still three men eating it. One man now has to keep three.

You understand me, John? Every person is a consumer of necessaries, and those who produce necessaries have to produce necessaries for all.

Now, the lower the price of necessaries the more necessaries

do the rich and his dependents get, and the less do the producers get.

Cheap food and clothing for the producers mean cheap food and clothing for the non-producers.

The non-producers are kept by the rich upon the money taken from the producers.

The cheaper the food and clothing the less do the producers get back from the rich.

The cheaper the food and clothing are the more non-producers can the rich feed.

The more non-producers the rich can feed the more they will withdraw from the work of production.

The more they withdraw from the work of production the fewer there will be to produce food and clothing for all.

The fewer there are to produce food and clothing for all, the harder and the longer must those producers work.

Thus it is quite plain that under capitalism it is to the interest of the producer that commodities should be dear.

But observe, that it is no use the workers forcing up their wages unless at the same time they can prevent the landlord and the capitalist from raising rent and interest.

As I showed you before, a monopoly can raise prices. But it is well known that a monopoly, like the Oil Trust or Salt Syndicate, while raising prices will not raise wages.

But though a monopoly of capitalists will not serve a useful purpose, it may be possible to find some kind of monopoly that will serve a useful purpose.

What we want is a monopoly which will raise wages and keep down rent and interest. This is to say, a monopoly which will ensure to the worker the enjoyment of all the wealth he produces.

There is only one kind of monopoly which can do this, and it is a *State* monopoly.

Now, a State monopoly is Socialism, and I will proceed to deal with Socialism in my next chapter.

But, before leaving this question of cheapness I want to anticipate one objection which may be brought against my statement that cheap commodities mean cheap labour.

Some stupid parson, preaching upon a lecture of mine which he had heard, but had not understood, declared that it was nonsense to say that cheap commodities meant cheap

labour, for whereas commodities are now universally cheaper than they were, wages are universally higher.

I am not so sure that this is strictly true about the advance in wages and fall in prices. Rents are certainly higher than they were, and meat is dearer. But whether or not it be true that the workers get more money and can buy more with it that has nothing at all to do with my argument.

All commodities are produced by labour, therefore to drive commodities down to their cheapest rate *must* result in cheap labour. And you know that as soon as ever prices begin to fall the capitalist begins to talk about lowering wages. And you know that bread and coal and clothing and salt and matches and very many other things are simply cheap because the people who produce them are not half paid.

Matches are so cheap that you can get 800 matches for twopence-halfpenny. Now, if the retail price of matches is  $2\frac{1}{2}$ d. for 800, what is the wholesale price? Put it at twopence.

If the manufacturer charges twopence for 800 matches after allowing for cost of wood, wick, wax, phosphorus, printing, paste, advertisements, carriage, and labour, how much do you suppose the manufacturer pays the women and children who *make* the matches? I don't *know* what these women and children get. I *do* know that I have heard of women and girls working sixteen hours a day for seven days making match boxes, and earning about four shillings a week by the work. And I ask you, How is a woman to live on four shillings a week and pay rent? And do you ever consider the lives of the people who make these marvellously cheap things? And do you ever think what kind of homes they have; in what kind of districts the homes are situated; and what becomes of those people when they are too ill, or too old, or too infirm to earn even four shillings as the price of a hundred and twelve hours work?

In my Utopia, when Cain asked, "Am I my brother's keeper," he would be answered with a stern affirmative. In my Utopia a thing would be considered cheap or dear according to the price it *cost*; and not according to the price that was paid for it. Matches may be *dear*—from a

Utopian point of view—at 2½d. for 800; because, you see, it may be necessary to *add* a few items to the cost of production which are *not* charged for in the retail price. As thus:—

Item.—100 women done to death by labour before their time.

Item.—200 children killed by preventable diseases in the slums.

Item.—Say, 10 boys driven into a career of crime by hunger and neglect.

Item.—Say, six girls driven to a life of shame by similar causes.

Item.—The cost of keeping several broken old male and female paupers.

Item.—Pauper graves for the same.

Item.—Cost of fat beadle kept to superintend the above old wrecks.

Item.—An increase of rates for police and prison officials.

Item.—The parish doctor, the dealer in adulterated gin, the scripture reader, the coffin maker, and a fraction of the Cabinet Minister's time spent in proving that "you cannot interfere with the freedom of contract" nor "tamper with the economic balance between producer and consumer."

Add all these items on to the match bill, Mr. Smith, and tell me if you call those matches cheap.

## CHAPTER XIII.

### SOCIALISM!

One thing ought to be aimed at by all men; that the interest of each individually, and of all collectively, should be the same; for if each should grasp at his individual interest, all human society will be dissolved.—*Cicero*.

When I balance all these things in my thoughts, I grow more favourable to Plato, and do not wonder that he resolved not to make any laws for such as would not submit to a community of all things; for so wise a man could not but foresee that the setting all upon a level was the only way to make a nation happy, which cannot be obtained so long as there is property; for when every man draws to himself all that he can compass by one title or another, it must needs follow that how plentiful soever a nation may be, yet a few dividing the wealth of it among themselves, the rest must fall into indigence. So that there will be two sorts of people among them who deserve that their fortunes should be interchanged, the former useless, but wicked and ravenous, and the latter, who by their constant industry serve the public more than themselves, sincere and modest men. From whence I am persuaded that till property is taken away there can be no equitable or just distribution of things, nor can the world be happily governed; for so long as that is maintained the greatest and the far best part of mankind will be still oppressed with a load of cares and anxieties.—*Sir Thos. More*.

John Smith, do you know what Socialism is? You have heard it denounced many a time, and it is said that you do not believe in it; but do you know what it is?