

CHAPTER III

THE INDUSTRIAL ORGANISATION OF THE SOCIALIST STATE

REGULATION from without is necessary to ensure the welfare and continuance of the social organism in the measure in which the self-regulation of the units composing it is defective. As self-regulation grows in extensity and intensity, regulation from without, becoming less necessary, may be correspondingly reduced ; were self-regulation complete and universal, all regulation from without might be abolished with absolute safety. Moreover, unnecessary regulation from without, all that which is in excess of the amount necessitated by the deficiency of self-regulation, is not merely useless but socially harmful. The maintenance of regulative agencies in excess of those required for social wellbeing diminishes the maintenance available for socially beneficial agencies, and thus hinders their growth. Worse still, self-regulation being ethically preferable to regulation from without, marking a higher stage of social evolution, persistence of unnecessary regulation from without hinders the further growth of this higher social sentiment. Hence it is that, as we ascend from lower to higher types of human society, regulation from without, political, ecclesiastical, parental, and industrial, decreases in extent and coerciveness. From the sanguinary despotism of Dahomey, or the all-pervading pressure of the Roman administration, to the freedom enjoyed under the British and American constitutions ; from the ecclesiastical tyranny of an African witch-doctor, or a mediæval bishop, to the comparatively small influence of ecclesiastical authority on

the life of modern Europe ; from the parental absolutism of an early Roman or Teutonic housefather to the equitable relations between parents and children among the Anglo-Saxon nations to-day ; from slavery and serfdom to the free contract by which modern workers in combination bargain for the conditions of their employment, the upward march of mankind has been long and weary. Distant as the goal of fullest freedom as yet is, the progress of the past contains the promise of its attainment. Every step in this upward progress is the sign of a preceding advance in the adjustment of man's nature to the conditions of social life ; every reduction of regulation from without—of compulsory regulation—has been made possible by the evolution of better regulation from within—self or voluntary regulation.

Moreover, compulsory regulation does not tend to disappear because it has become excessive, useless, and injurious. The removal of excessive regulation, the attainment of greater freedom, is always difficult, and frequently entails great sacrifices on the part of the regulated. For the regulating agency, like any other group of men, is mainly actuated by self-regarding sentiments. Not the performance of useful functions, but the maintenance of its members, is its principal object. Therefore it uses all its power to defend any of its component parts, regardless of the question whether the functions performed by them are necessary and beneficial or needless and detrimental to the social organism. In every progressive community, therefore, regulation from without is in excess of what social wellbeing requires, and not more but less compulsory regulation is a necessity of further progress.

Here also Socialism disregards the teaching of universal history—runs counter to the course which the evolution of human society has taken. Instead of aiming at less regulation, it aims at more regulation ; instead of reducing the coerciveness of regulation from without, it must increase it. For the supersession of the unconscious and voluntary co-operation of to-day by a system of compulsory co-operation consciously directed by State agencies, involves universal regulation of the most minute and despotic kind.

Not without reason do socialists speak of "an industrial army" as the type of organisation at which they aim. In structure and in the sentiment animating it the industrial organisation of Socialism must form a complete parallel to the organisation of an army. There must be the same graduated regimentation to convey orders and superintend their execution, and there must be the same subordination to secure the working of the machine. Unquestioning obedience, being as necessary in the industrial army of the socialist State as in the militant army, must, as in the latter, be enforced with unyielding rigour.

Socialist writers and speakers, as a rule, are reluctant to set forth their idea of the form which the organisation of labour must take in the socialist State. They plead in excuse of this reluctance that it is impossible to foresee the exact character of an organisation which must change with the changing conditions of industry. True as this plea is with regard to the details of organisation, it is not true as regards its type. Just as change in weapons, and other conditions of warfare, while constantly altering the details of military organisation, has left its type unaltered, so changes in industrial conditions do not materially affect the type of industrial organisation. For the type is determined solely by the object immediately aimed at, *i.e.* whether general or individual benefit is the proximate object. If, as is the case with Socialism, the general benefit is consciously aimed at, industrial activities must be regulated, as Socialism proposes to regulate them, by a central agency—national for industries of national importance, municipal for industries of merely municipal importance. The number of the individuals and the extent of the operations to be regulated then also impose a graduated series of regulating agencies, culminating in the central agency. Whether the subordinate regulative agencies derive their authority from the central agency, or whether their authority is derived from the same source as that of the central agency—say popular election—or whether each superior agency derives its authority from the agency immediately below it by delegated election, will profoundly affect the efficiency and strength of the whole organisation.

But as in every army, under all conditions of warfare, there must be a central commanding agency which transmits its orders through subordinate commanding agencies, and as the efficiency of an army depends upon the blind obedience of each subordinate agency, and of the soldiers which it commands, to the dictates of the central agency, so must the same regimentation and subordination prevail in the industrial army of the socialist state, whatever the changing conditions of industry may be.

The few socialist writers who have dared to picture the industrial organisation which Socialism necessitates, much as they differ in detail, agree in admitting this contention. Laurence Gronlund describes it as follows :¹—

“Appointments will be made from below. . . . Under Socialism . . . the letter-carriers will elect their immediate superiors ; these, we will say, the postmasters ; and these, in their turn, the postmaster-general. . . . The workers in a factory should elect their foreman ; teachers their superintendent, etc. This is the only method by which harmonious, loyal co-operation of subordinates with superiors can be secured. No one ought to be a superior who has not the goodwill of those he has to direct. Understand also that appointment from below does not necessarily imply removal from below. . . .

“Every directing officer should be responsible not alone for the work he himself does, but also for the work of his subordinates. He must see to it that they do their work well. Is not this a sufficiently good reason why every directing official should be given the right instantly to dismiss any one of his subordinates for cause assigned, inefficiency being, as already stated, the very best of causes? When, then, a foreman was inefficient, he would be removed instantly without trial by his superintendent ; he, again, might be removed by his bureau-chief, perhaps for abuse of power in removing the foreman ; this bureau-chief, again, by his department-chief. . . . Suppose we make every department-chief (head of a whole industry) liable to removal by the whole body of his subordinates . . . and that he be removed from office the moment that the

¹ *The Co-operative Commonwealth*, pp. 166-176. (The italics are Gronlund's.)

collective judgment of the whole department is known, if that judgment is adverse to him. Then the bureau-chiefs immediately elect another chief of department, who can be removed in like manner if he should not suit the workers.

“Can the foreman also dismiss any of his workers for inefficiency or other cause? . . . For such cases a trial by his comrades might be provided, the issue of which might be removal to a lower *grade* or some sort of compulsion.

“Instead of any term of office long or short *we shall have a tenure during good behaviour.*”

The same author states:¹ “Do not, however, suppose that there will be no subordination under the new order of things. Subordination is an absolute essential of co-operation; indeed, co-operation is discipline.”

Sir Henry Wrixon also furnishes valuable testimony in this direction. He states:²—

“One of the ablest thinkers and advocates of the socialist cause in England favoured me by giving me more than one interview, at which he explained his opinions very clearly. He said: ‘. . . In the social State there must be strict discipline; the ranks of workmen would not be allowed to elect their own heads; they would only have their vote for the general election of representatives. The idle would be subjected to some form of penal discipline.’”

The same author makes the following statement:³—

“Mr. Sidney Webb, in a lecture, declared: ‘To suppose that the industrial affairs of a complicated industrial State can be run without strict subordination and discipline, without obedience to orders, and without definite allowance for maintenance, is to dream, not of Socialism, but of anarchism.’”

Equally decisive is the utterance of one of the foremost leaders of the social democracy of Germany, August Bebel:⁴—

“After society has entered into exclusive possession of all the means of production, the equal duty of all to labour,

¹ *The Co-operative Commonwealth*, p. 148.

² *Socialism*, p. 129.

³ *Ibid.* p. 21.

⁴ *Woman*, p. 181. (William Reeves, London.)

without distinction of sex, will become the first fundamental law of the socialistic community. . . . Socialists maintain that he who will not work has no right to eat. But by work they do not understand mere activity, but useful, *i.e.* productive work. The new society demands that each of its members shall execute a certain amount of work in manufacturing, in a handicraft, or in agriculture, by which he contributes a given quantity of products for the satisfaction of existing needs."

These authorities agree in declaring that necessity of regimentation, subordination, and compulsion in the socialist organisation of labour, which we deduced from general principles. The ordinary worker, the vast mass of the male and female population, would, therefore, be exposed to conditions, uniform for all of them, and widely differing from those of the average artisan even under existing unjust social arrangements. For though the individual artisan does not enjoy any great independence, he possesses in his union the means of bargaining for the conditions under which he will work, and even in matters too small for combined action, he can escape irksome conditions, such as the chicanery of a foreman or employer, by changing from one factory to another. Large sections of the people—farmers, shopkeepers, professional men, merchants, hawkers, and others, as well as most women—carry on their labour without the supervision of any one, and without the slightest industrial subordination. Moreover, within certain limits, every man is free to choose his occupation, and the place of his abode, and all are free from any outside compulsion with regard to the amount of labour which they desire to perform.

Under Socialism all this would be changed. The determination by the central regulating agency of the kinds, qualities, and quantities of commodities to be produced, involves of necessity the further determination of the number of workers to be employed in each occupation, and of the place where their labour may be most usefully exercised. When the number of labourers required in any occupation and place has been obtained, others must enter such occupations and in such localities as the

administration may decide. If, through any change in demand, or in methods of production, the number of workers in any occupation becomes excessive, the surplus, which must be selected from the total number by officials, must enter such other occupations and leave for such other localities as the administration may decide. Furthermore, no youth can be allowed the choice of his occupation, as otherwise some occupations would become overcrowded, while others, equally necessary, would be neglected. The administration, therefore, must decide the occupation of every youth, male and female. Freedom of movement, the right of any one to choose his or her place of abode and labour, as well as freedom of choice with regard to the occupation which any one desires to follow, would be absolutely abolished. Socialists, while appearing to contest this conclusion, nevertheless fully admit it. Thus August Bebel states :¹—

“Every one decides for himself in which branch he desires to be employed ; the large number of various kinds of work will permit the gratification of the most various wishes. If a superfluity of workmen occur in one branch, and a deficiency in another, it will be the duty of the executive to arrange matters and readjust the inequality.”

The second sentence in the foregoing quotation obviously contradicts the first, for if the executive is to “readjust the inequality” arising from “a superfluity of workmen in one branch and a deficiency in another,” the executive must have power to compel the superfluous labourers to change their occupation, and if the deficiency has arisen in another locality, to compel them to work in this other locality. The second sentence, therefore, fully admits the conclusion we have drawn. Gronlund in like manner is forced to admit this contention, while endeavouring to deny it. He states :²—

“It is, as we have stated, for the Commonwealth to determine, in its character of statistician, how much of a given product shall be produced the coming year or

¹ August Bebel, *Woman*, p. 183.

² *The Co-operative Commonwealth*, pp. 148, 149. (The italics are Gronlund's.)

season. . . . Suppose in a given industry production will have to be narrowed down to one-half the usual quantum. It follows that, in such case, the workmen can only work half the usual time, and that there will only be one-half the usual proceeds to be distributed among them.

“What must be the result? Evidently the men’s remuneration will have to be reduced one-half, or a corresponding number of workers will have to pass over to some other employment—for the consequences of such disorder which may be permanent, and is not the result of either miscalculation or misfortune, will certainly not be borne by society at large; and the Commonwealth, while it guarantees *suitable* employment, can certainly not guarantee a *particular* employment to anybody.

“A change of employment will, however, in that Commonwealth be tolerably easy for the worker, on account of the high grade of general education, and because all will have passed through a thorough apprenticeship in general mechanics.

“Certain critics of Socialism object that no person under it will have any effective choice in regard to employment. The above shows how little foundation there is for such criticism. But we should like to know how much ‘effective choice’ the vast majority of men now have in regard to employment, or wages, or place of abode, or anything else.” ■■

Whether a change of employment, at the dictate of some spiteful official, or as a disguised punishment for opposition to the regulative agency, from, say the manufacture of optical instruments to the work of a navy; from leader-writing on a governmental newspaper to breaking stones; or, for a woman, from teaching literature to working at a power-loom or a spinning-mule, is “tolerably easy,” as Gronlund asserts, appears to be questionable. There can, however, be no doubt that if the State, having abolished all competing employment, does not guarantee the “particular” employment any one desires, but merely “suitable” employment, *i.e.* suitable in the opinion of some official or officials; and if workers will have to change the character and place of their occupation when-

ever the administration deem it necessary, free choice of occupation and abode is abolished.

This subjection to the will of the executive agency, depriving the individual of the right to choose the place of his labour, deprives him also of all power to escape from specially onerous conditions of employment. For as he must go from one factory to another if a superior officer so decides, so he must remain in a given factory unless he receives permission to transfer himself. He, therefore, is unable to escape from the chicanery of local officials, from the annoyances, injuries, and punishments which may become his lot, should he have roused the ill-will of any of his local superiors or of the administration as a whole.

Moreover, equality of reward has as its necessary corollary equality of service by both men and women, as Bebel admits.¹ But how is this equality of service to be enforced? Apart from the difficulty of arriving at an equation of effort in different occupations, how are all men and women to be induced to do the amount of work decided upon? If the standard is fixed at a level suitable to weak women, it will enormously reduce the productivity of men's labour. If it is fixed so low as to suit the slowest or laziest of workers, the productivity of the labour of all superior workers will be reduced. If it is fixed higher than this—as it inevitably must be—say so as to suit the men of average industry, ability, and strength, most women and many men will be unable to comply with it, while others will be unwilling to do so. Are they all to be compelled to work up to the standard of efficiency, regardless of the question whether their failure results from inability or laziness?

Socialists generally avoid the discussion of these difficulties, or escape from it by the unreasoning assertion that there will be no weak or lazy members of the socialist State. Thus Bebel writes:²—

“And what becomes of the difference between the industrious and the idle, the intelligent and the stupid? There will be no such differences, because that which we

¹ See quotation, pp. 293, 294.

² *Woman*, pp. 194, 195.

associate with these conceptions will have ceased to exist. . . . As all will carry on labour under conditions of perfect equality, and each will be occupied with the kind of work for which his tastes and faculties best qualify him, it is evident that the differences in the quality of the work done will be extremely small."

Even if it were the case, which it is not, that "each will be occupied with the kind of work for which his tastes and faculties best qualify him" or her, it would not follow that the difference in the quality and amount of work done would be "extremely small." For the difference in faculties, mental and physical, must result in corresponding difference in the work done, and as the former differences are great, so must the latter be. Moreover, those who have framed any conception of the slow adaptation of individuals to the conditions of social life; those who see that even where all the advantages to be reaped from conscientious work go to its performer, large numbers fail to work conscientiously; those who have witnessed the shirking of work by members of co-operative industrial undertakings and the consequent collapse of the latter,—all these will hesitate to adopt the conclusion that Socialism, *i.e.* working, not for their individual advantage, but for that of the community, can produce such a sudden transformation of character as to make all men and women conscientious, industrious, and able.

Bebel himself states :¹ "He who will not work has no right to eat," and it follows that he who works less than his fellows has less right to eat, *i.e.* must receive less, or must be compelled to work as much. The existing organisation of industry, with all its faults, at least produces some measure of equality between service and reward. The worker who is unable or incorrigibly lazy is discharged, and the less able or less industrious workers receive lower pay than their more able or industrious fellows. This indirect coercion is not available in the socialist State. Monopoly of employment by the State and equality of reward render either discharge or reduced pay impossible. Penal regulations, culminating inevitably

¹ See quotation, p. 294.

in personal chastisement, are the only means by which the socialist State can enforce its labour regulations. The prison and the knout, therefore, threaten all who, regarded as capable of work by their official superiors, are nevertheless unable or unwilling to perform the task allotted to all alike.

The great mass of the population, all those who do not form part of the regulating hierarchy, will be subjected by Socialism to such regimentation, discipline, and compulsion as prevails in militant organisations. The slow and painful evolution which in the course of centuries has rescued the masses of the people from such a state of subjection ; which has created the comparative freedom for which past generations have gladly ventured life and fortune ; which, superseding authority by individual responsibility, has yielded the opportunity for the moral elevation of man, would thus be turned upon itself. Man would again become part of a social mechanism which, disregarding individual desires and aspirations, would suppress all individuality, personal initiative, and aspiration.

Not the misuse of the powers conferred upon the regulative agency, but the conscientious exercise of such power for social wellbeing, must inevitably lead to this result. Whether such misuse will take place, and to what extent, must, however, largely depend upon the control which the regulated masses can exercise over the regulative agency. The following chapter will, among others, deal with this question.