SOCIALISM
THE
SLAVE STATE

BY

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The analysis of the proposals and the conceptions of Socialism which are here presented to the reader were delivered by Mr. Max Hirsch as addresses, in the Athenaeum Hall, Melbourne, Australia, in 1904. The meetings were attended by men and women of every section of society, and the Hall was crowded on each occasion. This was the first time that a thorough examination of what Socialism is, and how it would work out in practice, was submitted to a free-for-all audience. The deep interest these addresses stirred in the minds of politicians and industrialists brought forth a demand for their publication in the form of a pamphlet.

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Freedom—a Vanishing Ideal.

THE LAST DECADES have witnessed a vast change in the sentiments and ideals of a large section of the people. Years ago the working classes, nurtured in the spirit of freedom, still believed, in spite of occasional lapses, that their class aspirations would be realised through an extension of freedom and a greater equality of rights and opportunities.

Since then a gradual change has taken place. The reactionary teaching of Socialism has been adopted more and more; little by little a considerable part of the freedom for which our forefathers fought and bled and died has been dissipated under the influence of this teaching, and the large and well organized Labor Party is now prepared to sacrifice all the rest, to submit itself and all of us to the harrowing despotism of a Socialist State.

The question arose whether I should give expression to my views on Socialism. I hesitated for some time, fearing the unavoidable dryness of the subject. The importance of giving voice to the view that the success of Socialism would be the worst calamity which could overtake civilized humanity, coupled with the imminent danger that the Socialist party may become dominant, induced me to disregard these misgivings.

Socialism World-wide, Specious, Disastrous.

SOCIALISM is a movement world-wide in extent; in every civilized country it is attracting the attention and support of large sections of the people. Such a world-wide movement must have world-wide causes. Nor are these causes difficult to find. Everywhere the masses of the people are smarting under a sense of economic injustice; everywhere they see that the marvellous industrial progress of the last century has borne but inadequate fruit for the working masses; everywhere they experience that while untold millions accumulate in a few hands, the condition of the masses is but little improved.

This injustice Socialism proposes to remedy, and it must be admitted—it would be foolish to deny—that on the surface it would appear as if it could provide this remedy. I have, however, gained the conviction that this appearance is misleading, that far from securing to the masses of the people a greater share in the wealth which they help to produce, it would actually curtail the share which the vast majority of them now receive. Nor would this be the only evil. Man does not live by bread alone. There are higher boons than material wealth. Freedom, equality of rights, the purity and joys of family life—these are the higher fruits of the social state. For the partial attainment of these boons generation after generation of men have sacrificed wealth and life itself. Socialism must not only stop further progress in these directions, but will lead to the loss of the progress so far made in its long and weary upward struggle.

I therefore oppose Socialism, not because I believe existing social arrangements to be just and good. On the contrary, for the last fifteen years of my life I have done all that my powers permit to show their injustice, and point out what I conceive to be the remedy. I oppose it because it offers a stone for bread; because the remedy which it offers is no remedy, but a poison which would corrode the whole life of the social body.

To prove this charge I intend to bring before

you the avowed changes which Socialism proposes to effect in our industrial organization, and some of the unavowed consequential changes which the adoption of these proposals must inevitably provoke. Next I intend to bring before you a picture of the economic outcome of Socialism, showing that it must culminate in industrial retrogression and consequent universal poverty. Third, I intend to deal with the political outcome of Socialism, showing that its inevitable result must be such a despotism on the part of its bureaucracy, such slavery for the rest of the people, as has not been approximated even in the worst days of Roman Caesarism, and that this slavery must be accompanied by a loss of all the virtues which we as a nation value most highly.

Complexity of Present Industrial Organization.

BEFORE entering upon the industrial proposals of Socialism, permit me to show, however inadequately, the real nature of the existing industrial organization which Socialism proposes to destroy. We live in a world in which no one can lead an independent life. Every one of us is dependent upon the help of all others for the satisfaction of his desires and the maintenance of his life. Every article which man can use is the result of a vast system of world-wide, voluntary, and unconscious co-operation.

Take, for instance, this coat which I am wearing. In order to produce it, some men had to clear land and rear sheep; another group of men had to shear the sheep; another group had to clean the wool; still another group had to dye the yarn; yet another had to weave the yarn into cloth; and still another group had to fashion the cloth into a coat.

Simultaneously with these activities, another group of men had to collect horn, and another had to fashion these into buttons; another group had to plant and tend cotton bushes; still another had to collect the cotton; another had to spin the cotton into yarn; another had to weave the yarn into cloth; and still another had to dye the cloth in order that there should be lining for the coat.

At the same time another group of men had to plant and tend mulberry trees; another had to rear silk worms, collect the cocoons and unravel them; another group had to spin the silk into thread; and still another had to dye the thread in order that the coat might be sewn together.

Antecedent to all the activities so far mentioned, other groups of men had each to mine ore, coal, and flux, in order that another group might smelt these materials into iron; while other groups, spread all over the earth and far too numerous to number, had to fashion the iron into all the many tools and machines which were required for the many different activities mentioned.

Also antecedently, other groups of men had to cut down trees, and still others had to cut the trees into planks; others had to quarry slate and still others had to cut it into shape; still others had to dig clay, and still others had to bake the clay into bricks in order that yet other groups of men might form these materials into factories, warehouses, and dwelling houses. Even this does not exhaust the process.

In order that all these various materials, originating in different parts of the world, might be brought to the places where they could be most conveniently transformed, many different groups of men had to act as carters, sailors, and railway men. Antecedent again to their rendering these services, thousands of different groups had to perform the manifold processes which resulted in the production of carts, ships, and railways.

Yet other groups of men, intervening at every stage of all these processes, had, as bankers, brokers, merchants, and storekeepers, to co-ordinate all these activities. And finally, in order that all these many thousand different groups of men could direct their energies each to his special task, thousands upon thousands of other groups, also spread over the whole earth, had to direct their energies to the production of the many different kinds of food and other things which the former wanted.

Marvels of Unconscious Co-operation.

ALL over the earth millions upon millions of men are thus engaged in co-operating with each other. All of them are actuated by one motive only in this co-operation—each seeks to gain the best living he can for himself; seeks to satisfy the maximum of desires with the minimum of labor. But in carrying out this purely selfish purpose, each of them also subserves the unselfish purpose of making it easier for all others to satisfy their desires.

All of them, moreover, are co-operating unconsciously, each having only his own purpose in view, and very few of them have any knowledge

of the ultimate object towards the production of which their labor is directed. And further, this co-operation, world-wide in extent, is also extensive in time. Forty, fifty, sixty years may have passed since the first stroke of work was done, which resulted recently in the production of this coat.

The Socialistic Alternative.

THE industrial organization now existing, and which Socialists term contemptuously "the capitalistic system of industry," thus presents a picture of world-wide, continuous, and unconscious co-operation almost too vast for the mind of man to grasp. Of all the marvellous contrivances which man has developed, none is so marvellous as this system of co-operation, upon the certainty, continuity, and completeness of which every one of us is dependent for the satisfaction of his desires; upon the permanency of which we all count with the same certainty as we do upon the rising and the setting of the sun.

Moreover, this system which is carried on unconsciously and voluntarily, has been developed unconsciously. No government, no parliament, no king has created it, though all of them have hampered its growth, and still hamper it. It has grown, is growing, and is daily becoming more highly evolved by the unconscious action of men seeking to satisfy their desires with the least exertion, and who in order to do this, have to comply with the natural laws which direct the actions of man in the social state.

This voluntary and unconscious co-operation is the framework of our civilization. Socialism condemns and intends to displace it with a system of compulsory co-operation, consciously directed by State authority. That which has grown up naturally in the course of untold centuries they wish to abolish in favor of an unknown, untried, and artificial system. For the natural pressure of necessity directing man's industrial activity, they want to substitute the pressure of organized force. Voluntary action they would supplant by compulsion.

For the essential demands of Socialism—that upon which all Socialists are agreed, that which separates Socialism from every other political and economic school—is the acquisition by the State of all land, of all the means and opportunities of transportation, and of all the tools, machinery, buildings, and material of industry, and the conduct by the State through its officials of all and every industry. The State is to be the only owner of land and industrial capital, the only conductor of all industries, the only employer of labor; every adult, man and woman, is to be employed by the State in some industrial occupation.

A manifesto published by a "Joint Committee of Socialist Organizations of Great Britain" merely repeats the central plank of the platform of all other socialistic bodies: "There is a growing feeling at the present time, that, in view of the increasing number of Socialists in Great Britain, an effort should be made to show that, whatever differences may have arisen between them in the past, all who can fairly be called Socialists are agreed in the main principles of their thoughts and action . . . . On this all Socialists agree. Our aim, one and all, is to obtain for the whole community, complete control of the means of transport, the means of manufacture, the mines and the land."

This complete revolution of the existing system of industrial co-operation is claimed as the necessary condition for the abolition of involuntary poverty, under the conception that competition is responsible for the misery of the masses of the people; that rent, interest, and profit are unjust deductions from the reward of individual labor, and that therefore the abolition of competition, of rent, of interest, and profit is the absolutely necessary condition for justice in the social relations of men. These industrial changes, the monopoly of all industry and exchange by the State, involves certain obvious consequential changes.

When the State owns all the industrial capital, private loan capital also will have disappeared. Even if some men still owned capital, as may be the case in the early stages of Socialism, they could not lend it, because there would be no security on which it could be lent, and no interest would be allowed to be obtained for it. National debts are also incompatible with Socialism, as are all stocks, shares, and other negotiable documents.

There can be no trading and no markets, and there would be neither necessity nor possibility for money. All transactions being with the State, each citizen would have a book, on the credit side of which would be entered the value of the services rendered by him, and on the debit side of which would appear the value of the articles

which he had taken from the Government stores, and of other services rendered to him by the State.

Socialist Disputes as to Labor's Reward.

I HAVE already said these are the conceptions and demands on which all Socialists agree. Now we come to a question on which there is some divergence of opinion among them.

If the State owns all capital, conducts all industries, and employs all the labor, the State obviously and admittedly becomes the owner of all the wealth that will be produced. But as human beings cannot live without food, clothing and shelter, and want various other things as well, the State must distribute these things among the individuals; that is, the State must give some reward for labor. Socialists therefore propose that the State—after deducting the things necessary for the replacement and extension of national capital—shall distribute all the other wealth produced among the citizens. But as to the manner of doing this a difference of opinion exists.

One comparatively small section advocates that this reward be apportioned to each citizen in accordance with the value of the services rendered by him. The great majority, however, declares this to be impossible, and advocates equal reward in value, regardless of the value of services rendered, as the only plan feasible under Socialism. And they are quite right; for in the absence of competition and markets, such as Socialism aims at, it is impossible to ascertain either the relative value of services rendered, or the relative value of goods.

Who, for instance, will say how many hours of labor by a navvy equal one hour of labor by a great landscape painter; or how many hours of labor done by a mechanic working on a bridge equal one hour of labor done by a great engineer in planning and designing the bridge? Free and equal competition settles these questions with unerring certainty; in its absence, they cannot be settled even approximately, for there is no common standard of measurement.

Likewise, the value of goods cannot be discovered in the absence of competition and markets. Who can say, in these circumstances, what is the value of wheat, when, as is the case, the same labor produces five times as much wheat from a more fertile than from a less fertile piece of land of equal area? Who can discover the relative value of a pair of boots made from the best part of a skin, and that of another pair made from the worst parts of the same skin? Or who can discover the value of by-products which appear in many industries, and especially in nearly all chemical industries? Competition alone can discover these values. In the absence of competition, they cannot be discovered; can only be determined arbitrarily by the dictates of officials.

If, then, Socialism were to adopt unequal rewards, these officials would have to settle arbitrarily the value of the services rendered by each worker, as well as the value of every kind and quality of goods; if equal reward is adopted, they would only have to perform the latter task. Fortunately this latter one is not so open to corruption as the former. But in determining the value of services, the road is open to every kind of favoritism, jobbery, terrorism and corruption.

For those reasons the majority of Socialists recognize that equality of reward in value, with absolute disregard of the value of services, is the only system possible to Socialism. In support, I will quote the following passage from the Fabian Essays:

Equal Reward Incompatible with Efficiency.

"THE impossibility of estimating the separate value of each man's labor, with any really valid result; the friction which would arise, the jealousies which would be provoked, the inevitable discontent, favoritism and jobbery that would prevail—all these things will drive the Communal Council into the right path, equal remuneration of all workers."

Socialism, which aims at the abolition of the natural law of competition, thus is compelled to disregard another natural law—the law that among adults the more efficient shall reap the reward of their efficiency; which, in human society, means that those who render greater services to their fellowmen, shall also receive a greater reward than those who render smaller service. This law, acting through competition, is the cause of the evolution of every form of life and of the evolution of human society from barbarism to civilization.

This natural law, Socialism would supplant by a condition, in which it would be as good to the individual to be inefficient and lazy, as to be efficient and industrious. Human beings can no more disregard natural social laws—without exposing themselves to punishment—than they can

disregard the physical laws of the universe. If they create conditions in which efficiency is deprived of its due reward, where it will be as good to be inefficient as efficient, two results may be predicted with absolute certainty. The gradual growth towards greater social efficiency of all men will cease. In its place will come a gradual decline in social efficiency, until the efficiency of all has fallen to the level below which life cannot be maintained.

How Socialists Would Acquire Land and Capital.

THE question now arises, how does Socialism propose to obtain possession of all the land and industries of the country? The early Socialists proposed to do so by revolution and sudden confiscation. But the absurdity of such schemes has long been recognized by Socialists, and they therefore rely upon the constitutional and gradual introduction, increment by increment, of their scheme. They also recognize that people can be far more easily induced to travel along the road which leads to Socialism, if the end of the journey is kept out of sight; moreover, we constantly witness various interests clamoring for governmental performance of services which, with a little trouble and expense, these interests could perform, and as experience shows, could perform better, for themselves. Yet every restriction placed on industry, every interference of the State with the conduct of industry, and every assumption by the State of unprivileged industrial functions, attunes the public mind to further interference, and the accumulation of such restrictions and interferences must gradually bring us to the nationalization of one or another unprivileged private industry. When this has once been started, the impetus will have been given which will rapidly lead to full Socialism. As a body, sliding down an inclined plane, gathers impetus as it proceeds, so Socialists hope, and hope with reason, that through restriction they may rapidly proceed to nationalization, and that then the rest will accomplish itself.

Compensation or Confiscation.

THE next question is, how do Socialists propose to pay for the land and all the industries of the country? Whenever Socialists begin to turn their projects into practice, the as yet not wholly corrupted public opinion will compel the offer of some sort of compensation to dispossessed persons, probably in the form of interest-bearing bonds. But they cannot continue to do this. For as the abolition of rent, interest, and profit is one of the main objects of Socialism, the socialized State can neither continue the payment of interest, nor the issue of interest-bearing bonds. Two definite proposals have been made. One, originating with one of the leaders of Socialism in the United States, Laurance Gronlund, proposes to issue non-interest bearing bonds to the value of material assets, goodwill, patents, and other like intangible assets being disregarded, and to make those bonds redeemable through the gradual withdrawal of goods from the State stores. This proposal obviously involves confiscation to a large extent. Another and more authoritative proposal, coming from the Fabian Society, is to tax rent, interest, and profits to a gradually increasing extent, and to use the revenue thus obtained for the gradual purchase of industries. This proposal, however, also amounts to practical confiscation. For this taxation would gradually reduce the value of these assets, while at the same time their owners would themselves almost exclusively furnish the amount paid in compensation. Whatever plan, however, is adopted, that full compensation will be paid or that the State will continue to pay interest on any bonds given in compensation, is absolutely impossible without frustrating the main objects of Socialism.

Socialists do not hesitate to justify either of these confiscatory proposals, nor the utter disregard of the value of services rendered in the reward of labor. They insist that human beings have no rights whatsoever which the State must respect. Permit me to prove again this remarkable attitude. Laurance Gronlund, in "'Co-operative Commonwealth," writes: "It is society, organized society, the State, that gives us all the rights we have. As against the State, the organized society, even labor does not give us a particle of title to what our hands and brain produce." Likewise, Professor Robert Flint, in "Socialism," writes: "Socialism denies to the individual any rights independent of society, and assigns to society authority to do whatever it deems for its own good, with the persons, the faculties, and possessions of individuals."

The man who has no rights is a slave. These quotations prove to you that slavery is the essence of Socialism, and that its apostles have provided themselves with a moral theory which justifies any confiscation in which they may in-

dulge. Freedom and justice they regard as mere empty words. The conception that every man is entitled to possess and enjoy all the fruits of his labor is to them an old-world delusion.

Nor is this denial of all human rights accidental, in the sense that some Socialists may agree with it and others may disagree. On the contrary, it is the inevitable outcome of the industrial proposals with which all Socialists agree. For the admission of individual human rights would stamp these proposals as in the highest degree despotic and unjust. Morally, they cannot be defended except on the assumption that human rights do not exist; that what have been so regarded are mere privileges granted by the State for its own purposes, and which the State may therefore arbitrarily abolish.

This doctrine brings Socialism into conflict with itself. It starts with the assertion that existing economic conditions, based on the law of the State, are unjust, and that the object of Socialism is to abolish State-created injustice. It finishes by declaring that the State cannot commit injustice. For injustice consists of the infringement of rights; where there are no rights there can be no injustice. Thus Socialism is compelled to commit intellectual suicide.

Socialist Organization and Bureaucracy.

PERMIT me now to draw some further consequences which must inevitably arise from the adoption of the fundamental proposals of Socialism. If the State owns and manages all industries, the State must also create a managing organization, and this organization must be directed by one supreme authority. For it is then no longer the free demand of individuals which, through competition, determines the kinds, qualities, and quantities of goods that shall be produced. Some official or officials in central authority must undertake this task. Otherwise this inevitable result would arise, that some kinds and qualities of goods would be produced largely in excess of what is wanted, while some other kinds and qualities would be unproduced.

The central authority, therefore, must make itself acquainted, not only with the amount of every kind and quality of goods likely to be wanted in a given year, but it must do so for many years in advance. For as I have already pointed out, the production of almost any article is a continuous process, extending over many years. Whether any man or company of men can successfully accomplish the tremendous task of providing many years in advance for all the manifold wants and desires, ever varying, of a whole nation, may well be doubted. Certainly, our experience of the industrial efficiency of government officials does not lead to the belief that they can do it.

But in order that the officials of the Socialist State may have the slightest chance of accomplishing it, however bad and inefficiently, all industrial authority must be concentrated in one center. Under this central authority there must be many authorities, each dealing with one of the main branches of industry; under each of them again must be the heads of every separate factory, mine, farm, and distribution warehouse, and under each of them must be sub-managers, foremen, and gangers.

Thus, in addition to the bureaucracy now existing everywhere, there must be created another far more numerous and carefully graduated bureaucracy, which directs the whole industrial affairs of the nation, as well as the daily tasks of the whole army of workers.

Powers of Bureaucracy.

MOREOVER, this bureaucracy must also determine the kind of labor which each person, man and woman, shall perform; must direct where this labor is to be performed by each of them, as well as the intensity with which each shall work. For obviously the determination of the quantity of each kind and of each quality of goods to be produced involves the power to shift labor from an occupation in which it has become excessive to one in which there is insufficient labor. This is again admitted by Socialists. August Bebel, the great leader of the Socialist party of Germany, in "Woman," says: "If a superfluity of workers occurs in one branch and a deficiency in another, it will be the duty of the Executive to arrange matters and readjust the inequality."

This necessary power to shift labor from one occupation to another, however, involves the further power to shift the laborers from place to place, to determine where they shall reside. For it will inevitably happen that the new occupation to which they are allotted can be carried on more conveniently, or can only be carried on, in another place than that where the worker resided so far.

Nor is this all. Young men and women entering upon their industrial life cannot be allowed

to choose the kind of occupation which they desire to follow. For, if they were allowed to do so, too many would go into some occupations and too few would go into others. This tendency would be enormously aggravated by the inevitable equality of remuneration. The heavier and more disagreeable tasks bringing no greater reward than the lighter and more agreeable ones, the latter would inevitably become overcrowded. Therefore, the young men and women entering upon the active tasks of life would not, and could not, be allowed to choose their own occupation. State officials would choose for them and determine the whole course of their life. The youth who aspires to become a mathematician might be put to boot-making; one who aspires to be an engineer might be put to raising cattle; and the girl who desires to become a teacher might be compelled to work in a jute factory. Natural aptitudes could not be considered even if they were known to those who determine the selection. But in most cases they cannot be known at the comparatively early age of the aspirants, for special aptitudes frequently, if not mostly, declare themselves later in life. Being unknown, at the time, to the workers themselves, they cannot be known to the officials, and therefore cannot be considered.

The intensity of the exertion of every person must also be determined by these officials, for as every one receives equal reward, all would necessarily be called upon to work with similar intensity, otherwise those who naturally would work more intensely than others would become dissatisfied and would slacken their efforts. A dead level of inefficiency would thus be reached, all working at the stroke of the least efficient or most lazy.

In order to avoid this, the officials must have power to punish the lazy, stupid and inefficient, so as to stimulate their energies. What can these powers be? These men and women cannot be discharged; their remuneration cannot be lowered. Therefore the only punishment possible is personal chastisement or imprisonment. The knout and the jail, therefore, threaten everyone who either is naturally slow or otherwise inefficient, or on whom these faults are fastened by the illwill of some official or officials.

Discipline and Tyranny.

MOREOVER, as in all bodies regulated by graduated authority, as for instance in every army, strict discipline must be observed in the industrial army of the Socialist State.

This again is admitted. Mr. Sydney Webb, in a lecture quoted by Sir Henry Wrixon in "Socialism," stated: "To suppose that the industrial affairs of a complicated industrial State can be run without strict subordination, without obedience to orders, and without definite allowance for maintenance, is to dream, not of Socialism, but of Anarchy."

Socialists, therefore, are right when they speak of the industrial organization of Socialism as an army. There must prevail in it the same graduation, the same strict regulation, the same subordination, the same unquestioning obedience as in a militant army. The comparative freedom of our civil life must give way to the unfreedom prevailing in the ranks of the military, and with it must come an adjustment of character like that which military discipline produces. Unquestioning obedience and subordination will be regarded as the chief virtues, and manly independence of thought and action, assertion of rights, and resistance to unjust aggression will come to be regarded as the worst of vices.

The Professions—Press Monopoly.

BEFORE leaving this part of the subject, attention must be drawn to the fact that equality of distribution cannot stop at any arbitrary line, but must prevail as to all the members, at least all the regulated members, of the State. Lawyers, doctors, painters, sculptors, actors, singers, scientists, and authors can no more be allowed to earn an income independent of the State than architects, engineers, and surveyors, or exceptionally skilful mechanics.

Moreover, all these classes of workers must be placed under the directive control of the bureaucracy the same as any other worker. Paid by the State, they must also work under the control of its officials, and these officials must determine the number to be employed in each of these professions, and therefore must choose those who shall employ themselves in each. Any man not so chosen could only work at these professions after he or she had accomplished the tasks set for them.

Even then they could not be allowed to sell their books, paintings, or sculptures, nor could the doctors, singers, actors, and musicians claim any fee for their services. No book could be published except with the approval of some State

authority, for the State controlling all printing works, can, will, and must determine whether it shall be printed.

Likewise, the production of newspapers and all other journalistic works would be a monopoly of the State, for newspaper proprietors could no more be allowed to control newspaper factories than any other capitalist some other factory. Clearly, therefore, only such newspapers would and could be printed which voiced the views of the official bureaucracy.

Not only would all the wealth of the country be centered in the hands of the bureacracy, not only would this bureaucracy have absolute control, hourly and daily throughout their lives, over every man and woman, but they would also have an absolute monopoly over the manufacture of public opinion. No opinion could be expressed, no news could be published which they desired to suppress.

Destruction of Family Life.

MANY Socialist writers advocate the most repulsive changes in marital relations. Other Socialists reject these with scorn. I again say that we are not concerned with these opinions, but are bound to inquire what may be the inevitable changes in the constitution of the family which the industrial organization of Socialism must produce. For that such a far-reaching change in social relations must bring about changes in family relations will be denied only by unthinking men. All men and women are to work at some individual task; men and women are to have equal rewards. These conditions must powerfully affect existing relations.

Women whose energy is expended in industrial work cannot preserve the comfort or even decency of individual households as well. Even if they could manage the additional work, it would be done perfunctorily, their interests lying elsewhere. They could not depute details to domestic servants, for, as a result of equal reward, domestic service would no longer exist. Father and mother having each their individual tasks to perform, would also be unable to rear their own children. Thus home ties would be diminished, and the maintenance of a separate home for each family made almost impossible. Men and women would all live in large lodging houses run by the State; children would be handed over at as early a period as possible to the care of the State.

Conclusion.

PERMIT me now to recapitulate the conclusions arrived at.

Socialism would transfer to the State, without adequate compensation, all the land and capital of the country, and would establish an additional, numerous, and well-disciplined bureaucracy to manage all the industrial activities of the country, and to distribute some of its results to private citizens.

All the men and the women of the country would be at the absolute command of this bureaucracy with regard to the place at which they are to reside, and the kind and quantity of work which they are to perform, and all would receive the same wages with absolute disregard of merit.

Domestic service would be a thing of the past. Separate family homes would give way to common lodging houses; children would be separated from parents at the earliest age, and the rock on which our civilization is built, the monogynic marriage lasting throughout life, would gradually disappear.

Even if the bureaucracy were to be absolutely honest, even if all its members were actuated solely by public and not by private interests, it still must constitute an all-embracing despotic power.

Freedom, individuality and independence would be displaced by universal slavery; variety of life would give way to a dull uniformity; all the sweetest and purest joys which life offers to men and women would be sacrificed, and as I shall endeavor to prove, all these sacrifices would be made in vain; the uniformity would be a uniformity in such poverty as is now experienced only by the poorest in the land.

II

THE INDUSTRIAL OUTCOME OF SOCIALISM

Economic and Industrial Consequences.

I HAVE ENDEAVORED to picture the industrial organization which the adoption of the fundamental proposals of Socialism—proposals on which all Socialists are agreed—must inevitably bring about.

The main features of this organization we found to be the creation of a numerous, carefully graduated and strongly disciplined body of officials culminating in one central all-directing agency for the management of all the industries of the country.

This central agency, we found, must determine, years in advance, the various kinds of goods to be produced, the several qualities of each kind, as well as the quantities to be produced of each kind and quality.

In this stupendous task, however inefficiently it may be done, they must have the additional power to control every man and woman in the country with regard to the occupations which they are to follow, the place where they are to reside, and the intensity with which they are to work.

And further, we found that these officials would also have to determine the amount of wealth to be divided amongst the people, each adult receiving an equal share. Now I shall endeavor to bring before you some of the economic and industrial consequences of this Socialist organization.

Factors in Labor's Productivity.

THE productivity of man's labor in the social state, affected as it is by his natural surroundings, such as fertility of soil, mineral treasures, and topographical features, is also affected, and to a still higher degree, by many social factors. Permit me to enumerate some of the more important of these.

One consists in the degree of efficiency possessed by the organizing and managing agencies. Another consists in the degree of willingness, conscientiousness, and efficiency with which each individual worker performs his task. A third is to be found in the correspondence between the natural aptitude of each worker and the task allotted to him. A fourth consists in the quantity and efficiency of the industrial capital available. But there is another factor, perhaps as important as all these put together, namely, the knowledge of nature and the use of natural forces in industrial processes.

It is admitted that every worker to-day produces many times the amount of wealth which the most efficient workman, most intelligently directed, and with ample capital at his disposal, could produce a hundred years ago. The increase is so great that the lowest estimate I have seen places it at 15-fold, that is that every worker to-day produces on an average fifteen times the amount of wealth which his predecessors could produce in the same time a century ago. What has brought about this marvellous change—a change so great that, if it were not counteracted by other factors, it would have banished involuntary poverty from this world? There is no doubt as to the causes. This enormous increase in wealth-producing power is due to discoveries and inventions, and to their use in the industrial processes.

Seeing that all these factors affect the production of wealth, and, therefore, the amount of wealth which is available for the people, seeing also that each of them must be affected by social

organization, no serious man, and no serious nation, can ever think of adopting Socialism, without careful consideration of the factors in the production of wealth.

Discouragement to Invention and Discovery.

LET us begin with the most important inventions and discoveries. It is evident, nor do the Socialists deny it, that under Socialism no special material reward can be hoped for by any inventor or discoverer, however much his invention or discovery might benefit mankind. But they argue that this absence of reward would not diminish useful inventions and discoveries; for the reason that men having a bent in that direction cannot help themselves, but must go on inventing and discovering.

It may be true that here and there a man may be found whose nature is so constituted that he would continue the exercise of his inventive faculties without any possible prospect of reward. But this cannot possibly be true of the great majority of inventors. These are constituted like other men, and will not undertake the costly experiments which most inventions entail, or the sometimes dangerous and generally expensive researches which precede discoveries, unless attracted thereto by a possibility of a great reward. The absence of reward thus must enormously decrease invention, and consequently the industrial progress of the nation.

This tendency would be strengthened from other directions. As under Socialism every man and woman must work at his or her appointed task a certain number of hours each day, the opportunity for researches and experiments which result in inventions and discoveries would be largely curtailed for all. Moreover, as all are to receive equal reward, the reward of each could not be great and none therefore would possess the means to make the costly researches or experiments which most inventions and discoveries entail. These two causes would obviously affect even the few exceptional persons who would not be prevented from the exercise of their inventive genius by the absence of all possibility of material reward.

If it is alleged that the State—that is, some of its officials—would select men and women to do the discovering and inventing of the nation, a serious reply is scarcely necessary. For even if the selection were made honestly, it would not be made efficiently, and even if made efficiently, it could offer no approximately adequate substitute for the thousands and thousands of brains which now endeavor independently to find solutions for industrial problems. While, for these reasons, inventions and discoveries would be rarely made under Socialism, other causes would arise tending to prevent the adoption of the few that might still be made.

The adoption of new inventions and discoveries generally entails the discarding of existing machinery and processes by employers, and a change in the accustomed method of working on the part of employees. Employers and employees are loth to do this. On employers it entails an immediate loss, and only the prospect of exceptional profit for a time or fear of losing competitive power induces them to adopt new inventions. The pressure of competition likewise overcomes the unwillingness of their employees to change their method of working.

The Red Tape of Bureaucracy.

NONE of these motives actuates the officials of the State. They can suffer no personal loss from refusing new inventions, nor can they gain personal advantage from adopting new inventions and discoveries. Moreover, and apart from the responsibility of discarding existing machinery, the adoption of new machinery and methods would also demand additional exertion on their part, and might expose them to unpopularity.

There is, however, still another and greater obstacle. Inventions do not generally spring perfect from the brain of men. When any industrial difficulty invites the application of inventive genius many unsuccessful attempts at its solution precede the successful one. This certainty of many failures before a success can be registered stands in the way of progress to-day. Capitalists, knowing this uncertainty, can only be induced to try a new discovery or invention by hopes of great gain or pressure of competition.

But no such motive will affect the officials of the State. For while they cannot obtain any material reward if the new process or machine is successful, they would certainly be blamed if it were unsuccessful. It would, therefore, be far safer for them to do nothing than to run this risk. Hence the absence of all motives to experiment with new inventions is fortified by strong motives against doing so, and Socialist officials

will therefore carefully abstain from making such experiments.

Even at the present time (1904), when the example or competition of private enterprise stimulates the action of State officials, these causes retard their adoption of new inventions. Innumerable examples might be quoted of State departments refusing for years to use processes and appliances which privately conducted industries had proved to be advantageous.

Startling Examples of Bureaucratic Inertia.

LET me give you a few examples. The discovery that lemon juice was a preventive and cure for scurvy was made in 1593. From that day on it was frequently used in ships, and gradually maritime vessels began to carry it habitually. The British Admiralty did not adopt it till 1795, when the safety of the Channel fleet was endangered by scurvy, of which the sailors were dying like flies. That is, it took 200 years to move the Admiralty officials to take this step, and more deaths were caused by this official reluctance to go outside the beaten grooves than were caused by battles, wrecks, and all other casualties at sea put together.

Similarly, the British Admiralty stuck to paddles, and could not be induced to adopt screw-propellers for men-of-war, for fourteen years after their use had become general in the mercantile marine.

Again, the Admiralty left the plates of their ships unprotected by anti-corrosive paint for many years after its use had established itself on all other iron ships.

Again, it was not until the breakdown of many ships' engines, and years after it had been generally adopted, that the Admiralty consented to adopt Silver's governor for marine engines.

Similarly with the Post Office, of which Sir Charles Siemens, the great electrical engineer, used to complain that it was almost impossible to get it to adopt any improvement in telegraphy.

It needs no more examples. This tendency of State departments to remain in a groove is so distinct and universal that it has become proverbial. Yet this tendency must be infinitely greater under Socialism, owing to the total absence of the stimulating example of private industry, and owing to the absence of any motive on the part of others to overcome the inertia or hostility of officials.

Stagnation and Retrogression.

AS I have pointed out, the difficulties in the way of the adoption of any invention are very great, even under the existing competitive system. They generally are overcome by men who expect to share in the reward of the inventor, and inventors gladly share their prospective reward with the man who gets their inventions adopted. When no such reward can be obtained, the motive to overcome the difficulties will be gone, and no such effort will be made.

Still another danger arises. Under Socialism the adoption of any new invention or process depends upon the will of officials; no pressure of competition can induce it. Suppose such officials have made an error—have adopted a new invention or process which is less useful than those that were discarded. If this is done under the existing competitive system—as it is frequently done—loss of competitive power and of trade quickly compels the abandonment of the failure. But under Socialism there is nothing but the conscientiousness of the officials to cause a failure to be abandoned, while their self-interest might easily cause them to refuse to do so.

Let me now recapitulate. We have seen that, through absence of reward, and through want of time and means to make experiments, the number of inventions and discoveries would be much diminished; that, as officials cannot personally benefit by the adoption of successful inventions, they would be reluctant to adopt any, partly because it would, for a time, increase their work; partly because they would have to risk reproof and loss of credit for possible failures; partly because they would have to overcome the reluctance of workmen; and partly because it is nobody's interest to persuade them to adopt new machinery and processes.

In addition, we found that no guarantee exists under Socialism, as is the case now, that new machinery and processes are more useful than those discarded. Clearly, then, Socialism would put an end to the marvellous progress which, during the course of the last hundred years, has changed the face of the earth; which has endowed men with previously unimagined power; which has chained the forces of nature to man's triumphal car.

We know now that the marvels which have been achieved are but an earnest of the marvels yet to come; we know that, proud as we may be of the achievements of the immediate past, we

are but standing on the threshold of nature's treasure house. But that threshold will never be passed, the inner sanctuary of nature will never be entered, if Socialism is adopted, for the heavy hand of its officialdom will crush the budding powers of man, will put an end to further progress, will call a halt to the upward march which otherwise would lead man to uncover the most deeply-hidden secrets of nature, and to compel them to do his will. Instead of progress, we would have stagnation, soon to fall into inevitable retrogression.

All Inducement to Exertion Killed.

PERMIT me now to deal with the next question—the efficiency of labor under Socialism. The only motive for industrial exertion is the desire to reap its fruits. If men could satisfy their material desires without industrial exertion, they would gladly abstain from it. They would equally abstain if all reward were withheld from them. The motive for industrial exertion, therefore, is strongest when men receive the full reward of their labor.

But if it is all the same to men whether they work hard and efficiently, or little and inefficiently, they will inevitably choose the latter course. This divorce between exertion and reward is the main reason for the universally recognized inefficiency of slave labor.

The existing system, suffering from injustice in distribution, where the majority of men cannot hope to enjoy all the fruits of their labor, also largely reduces the efficiency of labor. But under Socialism—entailing equal reward for unequal service—this inefficiency of labor must grow to an appalling extent. All motive for exertion would cease to exist, for no exertion, mental or physical, could increase the reward of anyone.

Delusive Hopes of Socialists.

SOCIALISTS reply that equality of distribution by no means withdraws the motive for exertion, inasmuch as the amount which can be distributed depends upon the exertion of every individual, that the harder and more efficiently anyone works the greater will be the reward which he receives in common with all. This reply, while fully admitting the importance of self-interest as a motive for exertion, overlooks the fact that each individual can benefit himself but little by his own greater exertion when the reward of all is equal.

Take, for instance, Australia. There are about 1,500,000 adults, and therefore, under Socialism, the results of any man's greater exertions would have to be divided equally among all of them. Every one of them could only obtain the one million five hundred thousandth part of his greater exertion. If a worker wanted to increase his own reward by 1 d. a year, he would have to increase the product of his annual labor by 1,500,000 pennies—that is, by £6,250. If he wanted an increase of 1 d. a week, he would have to increase his annual output to the extent of £325,000; and if he wanted a penny more per day, he would have to produce more wealth to the tune of £1,875,000. Is it likely that these considerations will induce him to increase his exertions?

But it may be said that he knows that if all the others also increase their exertions in the same way, each will get all that his greater exertions produce. This is true, but scarcely effective. For no worker can know whether all the other workers labor as hard as he does. He cannot know it as to all the men in the same factory; still less can he know it with regard to the workers in all the other similar factories, and still less with regard to the workers in all the departments of national production.

Therefore, every worker will disregard the possibility of obtaining a share in the produce of the greater exertions of others; the only thing he sees is that, all others sharing equally in the produce of his greater exertions, the advantage to him of exerting himself will be unrecognizable. Therefore, he will not do so, and the efficiency of labor will suffer an enormous decline.

The Analogy of Slave Labor.

THE absence of any individual motive for exertion on the part of the regulated workers has three consequences.

One is that the result of their labor will fall off both in quantity and quality. The produce of all the industries of the State will be less, and that which is produced will be less serviceable.

The second consists of waste of material. Careless work involves waste; and as all work would be careless under Socialism, the waste of material would be frightful.

The third consequence is, that the number of regulative officials must be largely increased, for men who work unwillingly and inefficiently want

far more supervision than those who work willingly and efficiently. Again, slave labor suggests itself as an example. This increase in the number of regulative officials reduces the average output of industry still more. Every one of them would add to the product, if, instead of supervising, he were actually producing.

The Reign of Fear.

NO doubt it will be replied that this increase in supervision would put an end to the tendency towards slack, careless, and inefficient labor.

But this can only take place to a small extent. The contention presupposes that laziness and inefficiency will entail punishment. What punishment? Weak, slow, lazy, or otherwise inefficient workers cannot be allowed to starve. Are men and women to be starved because they are weak or unfit for the work expected of them? Clearly, this would be their fate if they were dismissed, for there would be no other employer. Can their reward be lessened because they are less efficient than others? This would also be impossible under Socialism, because no notice can be taken of degrees of efficiency—all rewards must be equal.

The only punishment possible under Socialism, therefore, is the knout or the jail. Is it really believed that these will make labor efficient? Did they do so in the slave-gangs of the Southern States? Obviously, men cowering under the fear of such punishments cannot be, industrially, as efficient as free men, under no other stress than the natural pressure which links labor with life. Is fear as good a motive to industrial exertion as hope of reward; sullen resentment as good as cheerful anticipation; distaste as good as joy in one's work?

If they are not, then the efficiency of the labor of the regulated masses must suffer an incalculable decline under Socialism.

Lessons of Present Day Officialdom.

AT least equally serious must be the decline in the efficiency of the regulating officials, for here also efficiency does not bring any greater reward; among them also all material motive for exertion will have disappeared.

Moreover, the efficiency of management must be reduced through other causes. Whenever an undertaking becomes so large that the man at the head cannot himself supervise the whole of it, strict regulations must take the place of personal initiative.

Still more is this the case when an undertaking is so large as to require an extensive and graduated managerial organization, for then each grade in the regulative machinery is more or less fettered; lower grades appeal to higher; these transmit the request to still higher. Much time and labor is wasted before a decision is arrived at, and, therefore, invariable practice takes the place of flexibility.

This graduation, limitation, and inflexibility is greatest where many separate and distinct departments are subject to one graduated managerial organization, such as is the case with all State departments to-day. For here ultimate decisions rest with officials having no personal knowledge of the circumstances guiding the proposals of subordinates. Hence results the red-tape of all government departments, such as has been so aptly described by the Public Service Commissioner of the Commonwealth of Australia.

Dealing in his annual report with the question of civil service circumlocution, Mr. D. C. McLachlan quotes from Baron Stockmar's "Memoirs" the following with regard to the procedure in the English Royal Household: "If a pane of glass on the door of a cupboard in the kitchen needs mending the process is—(1) A requisition must be prepared and signed by the chief cook; (2) this must be countersigned by the clerk of the kitchen; (3) it is then taken to the Master of the Household; (4) it must next be authorized by the Lord Chamberlain's Office; (5) being thus authorized, it is laid before the clerk of the works under the office of woods and forests. So that it would take months before the pane of glass in the cupboard door could be mended." Mr. McLachlan says further that it cannot be denied that the above is, mutatis mutandis, an unexaggerated description of what has been perpetrated in many of the public offices of these States.

Let me give you one more example.

We have learned lately that the contract post-offices in Australia no longer keep duty stamps for sale, and thus, the country population being unable to obtain them easily, serious inconvenience is caused. This state of affairs has arisen since the Postal department has been transferred to the Commonwealth. As the Victorian Government has no longer any guaranteed contract with the people who keep these

post-offices, it insists upon being paid in advance for all stamps. The contractors say that the commission is too small to enable them to lay out their capital, and thus there is a deadlock.

Now, if a private person had experienced this difficulty, he would have ended it in an hour. He would have notified the contractors at once —"All right. Get two decent citizens to guarantee us against loss to the extent of, say £10, and we will give you that amount of stamps on credit." But that was too simple a solution for a government. So we have had a prolonged correspondence between the Victorian and the Commonwealth Governments; have had this mighty question debated for years; and, meanwhile, the country people have suffered every kind of inconvenience, and the end is not yet.

Now, if this red-tape, this roundabout working, this waste exists, as it does exist, in every governmental service, surely it must receive an incalculable increase under Socialism. For not only would the stimulating example of private industry be lost, but, compared with the huge extent of the undertakings conducted by officialdom under Socialism, those so conducted at present are infinitesimal.

The wheels within wheels, therefore, would be added to to an incalculable extent, and would gradually crush all efficiency out of the managing organization.

Round Pegs in Square Holes.

MOREOVER, both the regulated masses and the regulating bureaucracy will be exposed to yet another cause creating loss of efficiency. Labor is most efficiently performed when its character is in accord with the innate tendencies of the laborer. A youth may make an excellent teacher when he would be but a wretched cook; another's services might be far more valuable as a farmer than as an engraver; still another would make an excellent engineer when he would be but a sorry physician. Unfortunately, even to-day, the number of round pegs in square holes is very great. But many, perhaps the greatest number, either from the start or ultimately, find the holes for which they are best fitted.

Under Socialism, however, this would only occur here and there through accident or favoritism. Choice of occupation by aspirants being impossible, it is equally impossible for the regulative bureaucracy to discover the special aptitudes of the numerous aspirants for employment. Their various tasks must be allotted to them by rote, and they may be transferred from occupation to occupation, not as they desire, but as the necessities of the State or the caprice of officials may dictate.

With possibly a few exceptions, therefore, all special aptitudes will be neglected, and those capable of doing exceptionally good work in one direction will be compelled to work at tasks in which they are less efficient.

Subserviency, Flattery and Toadyism.

SERIOUSLY as this cause must reduce the efficiency of the regulated masses, still more must it affect that of the regulators. For how will these be selected? By election from below, by the people? Will anyone contend that managerial efficiency, and not other qualities, would determine the popularity of a candidate? Or is it by appointment from above by superior officials? Again I ask, would not subserviency, flattery, and toadyism be a surer way to preferment than managerial ability and merit?

Ultimately, however, as I shall prove later, the bureaucracy would become an hereditary class whose ranks would be closed to all outsiders. But whether this would be the case or not, this much is clear, that organizing and managing aptitude would be rarely the special faculty of the members of the Socialist bureaucracy.

Curtailment of National Capital.

I have to point to still another cause tending in the same direction. The efficiency of the national labor is largely determined by that of the available instruments of production and their amount. All these instruments made by labor must, from time to time, be replaced by labor. Every year large numbers of workers must be set to produce materials which, after a lapse of years, may appear as tools or machines, which again, after a lapse of years, deliver goods which satisfy men's wants.

This production of capital, ever increasing, and providing for wants of an even later date, is a function which existing society performs unconsciously through pressure of competition. Under Socialism it would have to be performed consciously.

The regulative authority would have to determine each year how much of the national

labor shall be exerted in directions which after a lapse of years, may replace and extend the national industrial capital. The labor so employed is withdrawn from the production of goods which can be distributed in the near future, and directed towards the production of goods which can only be distributed in the distant future—that is, the reward of all laborers next year is largely reduced in order that its level may be maintained in some distant future year. No man, or body of men, can have the prescience and knowledge required to perform this stupendous task efficiently.

But suppose they do possess this prescience, will they act up to it? The probability is all the other way. The majority of any people are shortsighted and improvident, unwilling to buy future ease with present abstinence. Still more is this the case when they themselves cannot obtain the fruits of abstinence. Those who are improvident—the majority—will desire the greatest possible dividend from the national labor, in order to enjoy it. Those who are abstinent will still desire the same, because, under Socialism, private property in consumption goods will continue. These, therefore, can be saved individually, while nothing else can be so saved.

A proper replacement and extension of the national capital will, therefore, be universally unpopular, and this must lead to its insufficient replacement and extension.

This tendency will be increased through the inefficiency of labor, already pointed out, for the officials can for a time conceal the reduction in the amount of the national product by abstaining from the proper replacement or extension of the national capital. They would thus maintain their credit, while the loss might not be felt for years.

These two causes must combine to produce a tendency, not only to abstain from adding to the national capital, but actually to curtail the national capital, which course must ultimately lead to such curtailment of the product of the national labor as is scarcely imaginable.

A Host of Evils.

MANY powerful causes must thus co-operate to reduce the efficiency of labor, and to decrease the products of labor under Socialism.

They are: Owing to the withdrawal of any reward for inventions and discoveries, and through want of time and means to engage in costly researches and experiments, these, the greatest factors in industrial progress, will diminish. Of those that will still be made, few, if any, will be adopted. If any are adopted, no certainty exists that they are not failures, or that such failures will be discarded.

While these causes will produce a discontinuance of the progressive increase in productive capacity which distinguishes modern industry, other causes will actually and enormously diminish productive capacity. They are:

The divorce between labor and its proportional reward; the substitution of fear for expectation of reward; the neglect of special aptitudes; the absence of managerial ability among officials; the red-tape and boundless waste of effort inherent in all governmental departments, greatest where they are most numerous; and the insufficient replacement of industrial capital.

Of these causes, all co-operating to reduce the efficiency of the national labor and to diminish the output of the national industries, only a few affect the efficiency of State-conducted industries at the present time. The red-tape and waste of effort arising from graduated organizations exist; to some extent, also, the stimulus to effort is wanting which exists in private industries. But all the other evils are absent, and, nevertheless, the inefficiency of industry under the direction of Government officials has become a by-word and a reproach. Allow me here to give a few illustrations.

Government Muddling of the Present.

LET us begin with New South Wales. At a place named Collarendebrey, the Government put down a bore, and got an ample supply of artesian water. The surrounding settlers then let a contract for cutting drains to make the water available, the price being £16 per mile. However, the sapient Government interfered, took the matter out of the settlers' hands, and caused the drains to be cut by day labor, under the direction of officials of the Public Works department. The cost of cutting a mile of drain on this system came to £96, though the wages of the day laborers were no higher than the earnings of the contractor's men, who worked at piece-work rates. That is, the stimulus of proportionate reward being absent, and the supervising officials having no direct inter-

est in making the supervision efficient, the productive capacity of the labor employed fell off to just one-sixth of what it was before. The contractor's men produced exactly six times the amount of wealth that the men employed under official supervision did.

My next example is taken from Western Australia. The Coolgardie Water Scheme had been carried out by day labor under official direction. As its cost was found to be enormous, a Royal Commission was appointed to investigate the cause. I shall quote a few sentences only from the report of this Commission:

"The pipe trench and man-hole excavations have cost about 3s. per cubic yard on this work, instead of 1s. 6d., for which it could have been done under contract. How much of this excessive cost was due to weak supervision, and how much to government stroke, this Commission is unable to decide."

The concluding portion of section 4 (pipe laying and jointing), reads:

"It seems probable that the ultimate cost of this branch of the work will be about £100,000 more than the estimate, which appears to have been fair."

State Tobacco Monopoly in France.

THE most instructive example of the inefficiency of State-conducted industry, however, comes from France. I have lately made a close study of the financial results of the State Tobacco Monopoly in the several countries where it exists. I will lay before you the results, taken from official reports, of the monopoly in France, stating, however, that in the other countries the monopoly of which I have been able to investigate, the results are even worse in several respects.

In France, the taxation imposed on tobacco, in its price, is five times the value of the tobacco. In Australia, the average taxation is between two and three times the value of tobacco. The ordinary quality of tobacco, that which is most largely consumed, is sold to retailers in France at 4s. 6d. per lb; in Australia, Havelock and Yankee Doodle, the most largely consumed brands, are sold to retailers also at an average of 4s. 6d per lb. In France, the cheapest tobacco is sold at 2s. 10d. per lb; in Australia at 2s. 6d per lb., wholesale each.

As would appear from these facts, and is notorious, this French tobacco is of vile quality, while the quality of this Australian tobacco is excellent. Wages in the French State factories average 40 per cent lower than wages in Australian tobacco factories, and the hours of labor are one-fourth longer in France.

Moreover, no private manufacturer or dealer makes any profit on tobacco in France. Therefore, the profit of the French Monopoly should be at least two or three times as large as the revenue derived from tobacco duties by the Commonwealth. As a matter of fact, they are almost equal, being, per pound of tobacco consumed, 3s. 1¾d. in France, and 3s. 0¼d. in Australia.

These facts prove clearly that the inefficiency of State management wastes all the advantages arising from higher taxation, lower quality, lower wages, longer hours, and saving of private profit. The production of wealth in Australian tobacco factories is, therefore, between two and three times that of French tobacco factories.

This enormous waste, moreover, takes place when the activity of the officials is stimulated by the advantage and teaching of the private tobacco industry of other countries and of other private industries in France herself. Clearly, the waste would be far greater if this stimulus were absent, and if, all the industries of the State being nationalized, all workers had become inefficient.

Equality in Poverty.

HOW speedily any serious reduction in the production of wealth would bring about general poverty can be easily demonstated. I find in Coghlan, "Seven Colonies," that the whole Australian production in the year 1902 —that of our mines, farms, pastures, factories, forests and fisheries—came to £29,987,000, which gives an average of £24 16s. 10d. for every inhabitant, men, women and children.

In order to make these figures quite clear, it must be said that a considerable amount of wealth produced is not included in these figures, but all such wealth is of a nature which cannot be distributed, is industrial capital. Such is the building, improvement, and repairs of railways and roads, sewerage and irrigation works, and others of like nature. On the other hand, the figures cited also embrace a good deal of industrial capital, such as machinery, tools, locomotives, and similar things. If, then, we take the figures as they stand, we are rather overstating the wealth that can be distributed.

Yet, even so, it amounts to only £24 6s. 10d. per head, or, a family of five persons, to £124 a year, or, say 47s. 6d. per week. If, then, owing to the causes which I have described, the productivity of the national labor were to decline seriously, it is obvious that, though all shared equally, that though rent, interest, and profit were abolished, the share coming to every citizen would be materially less than that enjoyed now by the average artisan. There would then be equality, but equality in poverty.

The Dreary Raiment of Socialism.

FINALLY, another tendency must be described. Modern industry not only provides an infinite variety of kinds of goods, but also an infinite variety in each kind, of qualities, designs, and colors, and this variety is being constantly added to by invention and discovery. Not only is an infinity of existing and individually varying desires thus catered to, but new desires and wants are being constantly stimulated.

As examples of the latter fact, I need only point to the invention of bicycles and motor cars. This possibility of satisfying the numerous desires of men, varying not only between individuals, but also varying from time to time as to the same individual, lends to life the color and variety which are among the chief causes of human happiness.

This color and variety must disappear under Socialism. The upward tendency of man towards the conception and satisfaction of an ever greater number of wants will be converted into the downward tendency of an ever decreasing satisfaction of wants, and for these reasons:

I have shown that, under Socialism, all production must be regulated by a central agency. This agency, one man or a board, must determine the different kinds and qualities of goods to be produced and the quantities of each, for many years in advance. To do this with even an approximate degree of efficiency surpasses the wit of the ablest men who ever lived, as long as the existing variety of goods, qualities, designs and colors are maintained. Still less is it possible when these are constantly added to.

But there is absolutely no guarantee that the directing agency will be composed of even exceptionally able men. On the contrary, every consideration leads to the conclusion that they will be selected for other reasons than great organizing ability.

The whole industrial system, therefore, would fall into inextricable confusion unless it were materially simplified. This simplification can only take place through an enormous reduction in the variety of goods to be produced. The variety of kinds, as well as the variety in qualities, forms, designs, and colors, in each kind must be largely sacrificed.

This tendency must be largely added to by the decline in the efficiency of national labor. As labor becomes less productive, the production of goods required for comfort or ornamentation must be curtailed, in order that a sufficiency of bald necessaries may be obtained. With every further loss of efficiency, this process must be extended, till the national dividend, receivable by every citizen, will consist of a far smaller quantity and variety of goods and services than is now at the disposal of average artisans.

Monotony and Poverty.

MONOTONOUS uniformity, in addition to general poverty, is thus the inevitable result of Socialism, even if its bureaucracy remained honest and clean-handed.

The average man and woman would not only find that desires, now easily satisfied, must go without satisfaction, but that even those desires, which would still find some satisfaction, would find it only partially.

Equality of income would be realized, at least among the regulated masses of the people. But it would not be done by raising the means of enjoyment of all to a level above that enjoyed today by the great majority of the people. On the contrary, the means of all would be reduced to the level of that portion of the people whose condition now appeals most strongly for relief.

Monotonous equality in unavoidable poverty would be the condition of the whole people in the Socialized State.

III

THE POLITICAL AND ETHICAL OUTCOME OF SOCIALISM

The Vast Power of Socialist Officials.

I HAVE TRIED to picture the economic and industrial consequences that must result from the adoption of the fundamental proposals of Socialism, those proposals on which all Socialists are agreed. I showed that it must lead to industrial retrogression, that it must lead to an enormous reduction in the productivity of labor, and, therefore, to universal poverty. Now I shall endeavor to picture the political consequences which the adoption of these same proposals must bring about.

We found that the absolutely indispensible condition for the State carrying on and managing the industries of the country, is the creation of a managing officialdom—a numerous, strongly organized, carefully graduated and strongly disciplined body of officials, culminating in one central all-directing agency.

We further found that in order that this central agency may regulate industry and determine in what kinds and what qualities and what quantities goods shall be produced, it must also have the power to control every man and every woman in the country with regard to the occupation which they are to follow, with regard to the place where they are to reside, with regard to the intensity with which they are to work; and we further found that the same officials must also manage every printing establishment, and, therefore, must have the monopoly of the production of all books, all newspapers, all magazines, and other literature.

Therefore Socialism, in order that it shall manage the whole of the industries of the country, must give to its officialdom a power which has never yet been possessed by any governing agency in this world; an unprecendented power of daily and hourly interference with every detail of the life of the whole population. Not the Czar of Russia, not the Sultan of Turkey, not Imperial Caesar in the hey-day of his might, ever had such a power over the subject peoples as will thus be given to the officials of the Socialized State.

If that power were carried out with absolute honesty, if the Socialist officials were actuated by nothing else but the greatest care for the public interest, and never looked after their own interests; if there were never any organized attempt to exceed the powers which have been given to them—those powers nevertheless which Socialism must give, would constitute the utmost despotism on the part of the officials and corresponding slavery on the part of the whole community.

But is it to be expected that such a power as this will be carried out honestly? That is the next question which I ask you to consider. I ask you to consider what will the officials of Socialism do with the tremendous power which the people will have handed over to them.

Tyranny Inevitable.

LIKE all groups of men, those constituting governmental agencies—the officials of the State—desire to extend the functions, the power, and the privileges of the Agency to which they belong. While that is true of all classes of men, it is specially true, and to a very much larger extent, of government officials, because carrying out duties and performing functions which differ widely from the functions performed

by the rest of the people, there inevitably arises among them a spirit of caste. Therefore, while all groups of men place their own special interests above and before the general interest, that is especially true of the officials of the State.

At the same time their close organization, their graduated regulation, the fact that they are commanded from one center, enables them to pursue their interests with persistency, and to overcome easily the sporadic resistance of the rest of the people, divided as they are by many apparently conflicting interests. The whole course of history, therefore, shows that governmental bodies constantly aim at extending their power, escaping control, and transforming derivative authority into absolute authority.

You can see it in the rise of petty elective chiefs of Teutonic tribes to absolute and hereditary kingship; you can see it in the rise of humble deacons and presbyters into princes of the church, and popes; you can see it to-day in the absolute power which has been acquired by the party machinery in the United States.

For while the people of the United States still enjoy all the forms of control over their several governments, while popular election is still the only road to all political and many administrative offices, nevertheless it is a notorious fact that the people have lost all control. It has been transferred to the party machinery —the officers of the party, its bureaucracy, created for the purpose of making popular control effective. The party's officials, directed by some "boss," nominate the whole of the candidates for office, and to the people there is but left the inefficient, the inglorious, and frequently distasteful task of ratifying the nomination of either the one or the other of the two rival "bosses."

The machinery that has been created to attain one object has attained another and a contrary object. The servants of the people have become the masters of the people.

Co-operative Societies and Trades Unions.

NOW this same tendency for officials to escape control and to wield a power that cannot be resisted by the people may also be studied in other than official directions. It has manifested itself already in the co-operative societies of Great Britian, culminating in the wholesale societies of England and Scotland.

Let me place before you what a careful observer, the late Henry Demarest Lloyd, had to say on that subject in his very interesting book called "Labour Co-partnership." First let me state that Mr. Lloyd cannot be objected to by Socialists, for he was an ardent Socialist himself. Nevertheless, speaking of the organization of these wholesale societies, he says:

"The co-operative stores of each district hold meetings periodically to decide questions of business and policy. In those district meetings the wholesale directors are represented by two of their own number, and with their wider experience and central prestige they find it an easy matter usually to control the local delegates.

"Nominally, the wholesale is under the control of the delegates chosen by the people who hold shares in it, and for whose convenience it was constituted; but practically, popular control is gradually becoming a mere name. The central government has become so large that its own public cannot deal with it."

Now let me bring you another proof. Let me bring before you the difficulties which the trades unions experience to control and limit the growing power of their officials. The evidence is taken from "Industrial Democracy," by Mr. and Mrs. Sydney Webb, surely witnesses that cannot be objected to by Socialists. Mr. and Mrs. Sydney Webb have made the greatest and most interesting study of the history of trades unionism. They are unwilling witnesses to what they here state, for they are leading Socialists themselves. Excuse the length of the quotation; it is so important that I cannot curtail it. Dealing with the evolution of trade union organization, they say:

"It was assumed that everything should be submitted to 'the voices' of the whole body . . . As the union developed from an angry crowd . . . into an insurance company of national extent . . . the need for administrative authority more and more forced itself on the minds of the members. . . . The growing mass of business and the difficulty and complication of the questions dealt with involved the growth of an official class marked off by capacity, training, and habits of life, from the rank and file.

"Failure to specialize executive functions quickly brought extinction. On the other hand, this very specialization undermined the popular control. . . . The yearly expedients of rotation of office, the mass meeting, and the referendum proved in practice utterly inadequate as a means

of recovering genuine popular control. At each particular crisis the individual member found himself overmatched by the official machinery which he had created.

"At this stage irresponsible bureaucracy seemed the inevitable outcome. The democracy found yet another expedient, which in some favorite unions has gone far to solve the problem. The specialization of the executive in a permanent expert civil service, was balanced by the specialization of the legislature, by the establishment of a supreme responsible assembly, undertaking the work of direction and control. . . .

"We have seen how difficult it is for a community of manual workers to obtain such an assembly, and how large a part is inevitably played in it by the ever-growing number of salaried officers. . . . How far such a development will tend to increase bureaucracy; how far, on the other hand it will increase the real authority of the people over the representative assembly; and of the representative assembly over the permanent civil service. . . . All these are questions which make the future interesting."

The State and Trades Unions Contrasted.

WHAT has that got to do with Socialism? Who cannot see that if the trades unions cannot control their officials, that then Socialism would find it utterly impossible to control them?

Now this quotation shows first of all that trades unionism finds it impossible to control the growing power of its officials. Consequently, they try an elective assembly as a means for that end. In some favored unions this has had some success, but even in these unions it carries within its own bosom the seed of decay, for the number of officials who are elected to the controlling assembly becomes larger and larger.

Mr. and Mrs. Webb themselves doubt whether an elective assembly can control the bureaucracy of a Socialized State; but when you come to inquire into it, when you come to compare the officials of unionism with the bureaucracy of the Socialized State, you must see that there is not a shadow of a hope that it can be controlled by an elective assembly.

A union is a voluntary body, which men can join or not join, as they please, and they can leave the union without making a very great sacrifice. At any rate that is true in all those countries where they have not yet adopted compulsory arbitration. If then a minority of the members of the union become dissatisfied with the conduct of the affairs of the union, there is nothing to prevent their leaving the union and setting up another union; and if a majority of the union become dissatisfied, they can discharge the whole of their officials and appoint new ones.

This fate will all the more certainly overtake the officials of the union if they are arrogant or tyrannical, because, compared with the members of the union, there are very few of them, and they can have but few relatives and interested friends among the members of the union; because there is no general organization embracing the whole of the officials of unions, and because the union having little patronage, they have very little power of bribery and intimidation over the members of the union.

Now in all these respects the Socialized State and bureaucracy of the Socialized State contrast absolutely with the unions and the officials of the unions. The State is not a voluntary body. Men cannot leave the State and set up another State when they become dissatisfied.

Therefore, the dissatisfied minority can do nothing, and even a dissatisfied majority could not escape tyranny and oppression by the officials, because those officials are numerous; they have numerous friends among the regulated masses; they have unequalled power of interference, of bribery and intimidation, and there are several other reasons.

Factors in Bureaucratic Power.

A regulative agency grows at the expense of the regulated masses. Every unit transferred from the people to any class of officials increases the power of aggression of the officials and reduces the resisting power of the people.

But this transfer of power is very much greater than the number of the transferred units would indicate, for it is a transfer from an unorganized mass to a carefully organized class, and it includes the relatives and friends of the new officials, most of whom now transfer their sympathy and support from the masses of the people to the official class.

This official class, exceedingly numerous, closely organized, carefully graduated, centrally commanded, supported by a still larger num-

ber of relatives and friends among the regulated masses, holds within its hand the whole of the land, the whole of the capital and all the wealth that has been produced in the country. With the one hand, therefore, they excercise unrivalled power of intimidation. For these officials, as I have already pointed out, also must have power to determine the occupation which any man or woman shall follow, to transfer them from one place to another, and to decide whether they work with sufficient energy and efficiency.

What, then, is to prevent the officials separating from his wife any man who has become dissatisfied and has given expression to his dissatisfaction; to separate brother and sister?

What is to prevent the officials from separating father from daughter, sweetheart from sweetheart, under the pretence that the condition of production requires it?

How is any man who has been so treated to show that he has been treated unjustly?

How can a man who has been sent from an easy occupation to a harder occupation, who has been sent from a pleasant place to an unpleasant place—because perhaps he has excited the anger of the officials—how is he to prove that it was done unjustly, when the officials alone can judge what the changes of industry require?

Clearly, then, if gratitude for favors received and to come does not silence every expression of dissatisfaction, fear of vengeance may well do so.

An Official Press and Post Office.

BUT the power of the officials does not stop even there.

As I have already pointed out, Socialism can no more permit a capitalist to carry on and profit by the publication of newspapers, than it can allow a capitalist to carry on and profit by the manufacture of boots. Therefore, the officials have a monopoly of the production of books, of newspapers, of magazines and all other publications.

How then can their acts be criticized by anybody?

How can their misdeeds be made known outside of the immediate circle of those that have witnessed them? The officials are the only ones who can publish news and express opinions, and therefore no news can be published and no opinion expressed from one end of the country to the other, except that which is approved of by the officials. Therefore, it is utterly impossible to organize resistance to any act of the officials; to any excess of power of which they are guilty; or to any acts of despotism which they may commit.

If it is suggested that, in the absence of a free press, public opinion can be stimulated and resistance can be organized through the post office, and through personal agitation, the power of the officials again stands in the way. For of necessity there must be officials in every workshop, and every factory, every mine, every farm, and every warehouse. Therefore nobody can express dissatisfaction with officials; still less can anyone begin to agitate, without the officials at once becoming aware of it.

What, then, is to prevent them harassing him by all the power of officialdom?

What is to prevent them from opening the letters addressed to him, as they pass through the post office?

Agitation Impossible.

AS to personal agitation, when the officials have the power to fix every man and woman in a place, or to shift them as they please, as soon as any man begins to agitate, the officials will send him into some desert where he is unknown.

Clearly, then, under Socialism agitation is impossible by personal effort. Agitation is impossible through the post office; and still more is agitation impossible through the press. Therefore there absolutely exists no means under Socialism by which public resistance to official aggression can be organized.

If, then, a comparatively small body of officials, having little power of interference, of bribery and of intimidation, nevertheless exercise enormous influence over the people whose servants they profess to be; is it not obvious that the enormous body of officials in the Socialized State, having unrivalled power of interference, of bribery and of intimidation, holding also in their hands the whole of the newspaper press and whatever armed force there may be, would constitute a power absolutely irresistible to a widely scattered people, having no settled policy, no accustomed habit of working together, and absolutely no means of communicating with each other?

Parliamentary Control a Dream.

TO control such a power as this by an elective assembly clearly is an idle dream. Even Mr. and Mrs. Webb see that, as the number of officials in the legislative assembly of the trades union is constantly becoming greater, the control over the officials by these legislative assemblies must become farcical.

But what is to prevent the officials of the Socialized State entering the legislative assemblies of the Socialized State, or to send there men who are devoted to their interests? Clearly nobody can be elected but those whom the official classes favor, because nobody could become known to the people except those whom the official classes favored. In Socialism there would be no competition, and the whole press would be in the hands of the officials. Therefore only such men could become known to the people and get into the legislative assembly who are favored by the officials.

The legislative assembly, therefore, instead of being a controlling power over the officials, would simply be the keystone in the arch of official absolutism. It would complete the work of giving absolute power to the officials themselves.

Irresponsible Power Always Abused.

SOCIALISM, therefore, possesses no means whatever by which it can control the Frankenstein which it calls into being. Again, therefore, I ask, what will the officials of Socialism do with this enormous power?

Can any man who has got his five senses together doubt that they would use this power to the advantage and interest of their class? They are men like other men; actuated by the same motives as other men; have the same vices and virtues as other men; and, therefore, like other men they will be largely selfish and unjust.

Never yet in the history of this world has great power been entrusted to a number of men, but that that power was exercised, not benevolently, but for the benefit of those who exercised it. No man or body of men was or ever will be fit to exercise absolute power. Therefore the members of the socialistic bureaucracy must use their power as men with even less power have used it in the past, for their own advantage.

They hold in their hands the whole of the wealth of the country. They will sooner or later appropriate more and more of that wealth for their own use. The "equality of distribution," the "equal reward of labor," will remain as regards the regulated masses, the subject people; but in ways open or concealed the officials will inevitably secure for themselves an ever greater share in that wealth. The officials will live in Roman luxury, marked off in startling ways from the correspondingly increased poverty of the rest of the people.

Nor will any social reconstruction extinguish the love of their children in man. You can make a picture for yourself of an ideal man whom you will see standing at the top of Socialism, but when he gets there he will not be an ideal—he will be an ordinary man, probably on horseback, with a sword in his hand!

I say, men are human, and, whatever change you make in society, will desire to leave their children in as good or a better position than they have occupied themselves. Therefore, the officials of Socialism will inevitably try to prevent their children falling into the ranks of the regulated masses, and will endeavor to get their children to be officials as well.

As first, no doubt, it will be done in devious, concealed ways, but ultimately it must become an hereditary succession. Inevitably the officialdom of the Socialized State will become an hereditary caste with a despot at the top, who will also be either hereditary or elected exclusively by the members of the official class. Then they will lord it over the subject people, reduced to a degrading equality in poverty and deprived of every vestige of economic and political independence.

Corruption As Well As Caste.

BUT apart from these organized aggressions, there inevitably will come unorganized aggressions dictated by the selfishness, dishonesty and the evil passions of individual officials, and which will be sheltered by all the power of the official organization. In addition to the spirit of caste, there must come even more powerful motives as the inevitable corruption makes way.

At the present time when a man in a factory has incurred the ill-will of manager or foreman, or if a woman is persecuted by the unwelcome attentions of one of them, they can leave the factory and go into another, and thus get rid of the consequences.

No such evasion is possible under Socialism. They have to work in the place which is assigned to them, and they cannot leave it without official

permission. Therefore the life and liberty of every man and the honor of every woman is at the mercy of the officials; you have a tyranny such as never yet existed in the world.

Now let me show you that even to-day in the United States, where the number of officials is comparatively small, and where they exercise a very small power, compared with the power which would be exercized by the officials of the Socialized State, the officials, nevertheless, ride rough-shod over the people. From the mass of evidence at my disposal, I will only bring before you two facts (and I have a whole lot of them), one a misdeed by the police of Chicago, and which is equalled in every city of the United States; and the other referring to the miners' strike now proceeding in Colorado. The police of Chicago is a democratic body. The mayor is elected by adult suffrage; he appoints the chief of police as well as every other officer in the force, and has the right to dismiss any one of them. Therefore, the mayor living under the control of the electors and controlling the police, the police are practically controlled by the electors.

Official Brutality in America.

NOW let me show you what this democratically controlled body of officials is capable of. I am quoting from a pamphlet issued by the late Governor Altgeld, of Illinois, in which the City of Chicago is situated. (Governor Altgeld was one of the finest democrats who ever lived; he was not a "single taxer"—that was the one blot on his character.)

"There was a strike on the West Division Street Railway, and some of the police, under the leadership of Capt. John Bonfield, indulged in a brutality never equalled before. Even small merchants standing on their own doorsteps, and having no interest in the strike, were clubbed, then hustled into patrol wagons and thrown into prison on no charge, and not even booked.

"A petition signed by about one thousand leading citizens in and near West Madison Street, was sent to the mayor and the City Council, praying for the dismissal of Bonfield from the force; but on account of his political influence, he was retained."

That is what happens in the United States to-day. The police, the servants of the people, lord it over the people; they kill the people when they please, club them, and send them into prison whenever they please, provided they are poor and powerless.

Let me give you another example, the mining strike of unexampled brutality in Colorado (in 1904). The people of Colorado, by a referendum, determined on an amendment of their constitution in favor of an eight hours' day. The amendment ordered the Legislature to pass an eight hours' bill in the first session of the new Legislature. The Legislature, bribed through the "bosses" by the combined mine owners of Colorado, failed to pass that bill, and when the miners applied to the Governor of the State to call a new session for the special purpose of passing it, the Governor refused.

Then the miners went on strike for an eight hours' day. The Governor telegraphed to the Sheriff of the County whether he should send troops, and the Sheriff wired back: "No, no necessity; no violence. I hold the people fully."

Nevertheless, the Governor sent the militia of the State, and quartered them in the places where the strike prevailed, and I am now going to show you that it was this lawless act and the subsequent lawless acts of the militia which have brought about the brutality of that strike of which I have already spoken. I will read an extract from the "Milwaukee Daily News," dated June 7th, 1904:

"A state of anarchy exists. Outrage invites outrage. For the condition that exists in Colorado, the responsibility cannot be charged entirely to the mine owners or to the union miners. Both have tried to gain their ends by coercion, intimidation and outrage; but the existing condition of affairs may be traced as much as to any one source to the course that has been pursued by Governor Peabody and the State authorities. Instead of using the power of the State to preserve order and maintain justice, the Governor and the other authorities have been partisans of the mine owners."

Let me show you what the militia did. The "Public," of Chicago, June 18th, 1904, contains the following statement:

"They have suspended the civil law, have driven officials out of office and put mine owners' tools in their place; they have censored the newspaper, and even destroyed its plant; they have gutted co-operative stores and destroyed the goods they contained. They have arrested men in shoals, and then deported them from the State by scores, for nothing but refusing to join the mine owners' union. They have even closed a

competing mine where there had been neither strike nor disorder, and have forbidden the owner to re-open it with any other men than such as hold orders from the combined mine owners permitting them to work."

Because a small body of officials with limited power exercises it illegally, unjustly and brutally, Socialists want a large body of officials, with increased power, in order that they may be guilty of still more brutal and illegal conduct.

The Danger Glimpsed by Sydney Webb.

IT is not the fault of a particular official. It is the fault of the constitution of officialdom. It is the acquisition of such power that corrupts men; and you will never find any man who will remain uncorrupted when he does possess such power.

Some prominent Socialists show, at least occasionally, that they have a glimpse of this danger themselves. Let me again quote from Mr. and Mrs. Sydney Webb's "Industrial Democracy":

"Though it may be presumed that the community, as a whole, would not deliberately oppress any section of its members, experience of all administrations on a large scale indicates how difficult it always must be, in any complicated organism, for an isolated individual sufferer to obtain redress against the malice, caprice, or simple heedlessness of his official superior.

"Even a whole class or grade of workers would find it practically impossible, without forming some sort of association of its own, to bring its special needs to the notice of public opinion, and to press them effectively on the Parliament of the nation . . . In short, it is essential that each section of producers should be, at least, so well organized that it can compel public opinion to listen to its claims, and so strongly combined that it can, if need be, as a last resort against bureaucratic stupidity or official oppression, enforce its demands by a concerted abstention from work."

Here, then, you have the admission by leading Socialists of the danger of oppression and injustice from the socialistic bureaucracy. You have this confession of it, and yet they blind their eyes to it and enter into it without even considering it.

And the suggestion that men under Socialism can strike against official oppression shows in a startling way the blindness of Socialists to the concomitant changes that must be brought about by the establishment of Socialism. For how are men to strike against the overwhelming power of the officials?

The officials hold in their own hands the bread, the meat and the vegetables, the coffee and the tea, and every other kind of food. All these things are in government warehouses. They hold all the fuel and all the light, and everything else that a man, woman or child may want, again in State warehouses. Therefore, if men were to go on strike against socialistic officials, even if these officials did not use any direct punishments, all they need do is to issue an order that goods are not to be issued to the strikers or to their wives or children, and either the strike would be at an end within a week, or the death of all the strikers and of all their families would have ended the troubles of the officials.

State Nurseries and Socialist Characters.

NOW I have brought before you arguments to show that the powers which Socialism must confer upon its officials if honestly used, nevertheless in themselves constitute despotism on the one hand and slavery on the other; and I have also brought before you arguments to show that these powers must inevitably be used dishonestly, must be used for the benefit of the officials themselves; that these officials will inevitably grow into an hereditary caste, lording it over the whole of the people.

But these tendencies, arising from the industrial organization, will be largely supported by the formation of character Socialism must bring about amongst the people.

I have pointed out before that when every man and every woman is obliged to work a certain number of hours every day in industrial employment, they cannot rear their children themselves. The children must be separated from their parents at a comparatively early age, and they must be reared in State nurseries and boarding schools. From earliest infancy, therefore, children will be exposed to influences far different from those that would have surrounded them and shaped their character in their parental home.

For the training through love and sympathy, there would be substituted the training through fear. The elastic bounds to the natural wilfulness of children which parents accommodate to the character of each child would give way to fixed rules to which all children must accommo-

date themselves. Breach of these rules would bring about punishment, but no expression of love or sympathy would provoke and meet repentance. The dawning intelligence of childhood prompting to constant questionings in the endeavor to understand would be repressed and confined to fixed and uniform lessons.

At the very time, therefore, when the emotional nature is being formed, when the intelligence of the future men and women is most easily impressed, when, as a consequence, the foundation of character is being laid, influences are at work that must seriously deteriorate character. Absolute non-questioning obedience; abject fear of authority; selfishness, dishonesty and cowardice must be the attributes of men and women whose childhood has been passed in such conditions.

This form of character will be further developed by what happens in the future life of these people; for in a community where every action of life is controlled and regulated by officials, where every man and woman from earliest childhood has been compelled to act in obedience to the orders of officials, the consciousness must be lost that men can shape their own lives from their own actions. All idea of independence must be lost.

Under Socialism the regulated masses of the people never have been allowed and never can be allowed to do anything except what some official has ordered, and these officials themselves are subject to strict regulations which cannot be altered or suspended except by an appeal to higher officials; and if the matter is at all important, then an appeal must be brought to still higher and still higher officials.

Men who all their lives have thus been accustomed to act in accordance with official dictation must lose all idea that independent action is possible, and must come to rely absolutely and with the fullest unquestioning confidence upon the orders of all officials. Independence, enterprise, self-reliance are thus lost to the whole people. The only sentiment that will be followed will be the most slavish obedience to and reliance upon orders of the officials.

Apotheosis of the State.

THIS tendency will be still further strengthened by the total loss of the perception of impersonal causation in social affairs.

The rise of mankind from barbarism to civilization has not been brought about by the conscious compulsory action of the State. On the contrary, it has been a process of unconscious evolution akin to the evolution which has produced all forms of life. The mastery over nature acquired by man, the differentiation of labor resulting in an ever increasing number of social structures, each constantly becoming more definite; the growth in knowledge and morality, which is the main distinction between lower and higher forms of human society; all these have arisen independent of the State, though it has constantly hampered their growth.

Even in the peculiar sphere of the State, the sphere of law-making, conscious evolution vastly predominates for most laws, and all the good laws have been enacted for the purpose of giving sanction to customs which previously had arisen independently among the people themselves. The recognition of self-regulation in social processes which as yet is very incomplete, as the very demand for Socialism shows, is, therefore, of the utmost importance for the well-being of mankind.

When, however, all social affairs and all social processes are regulated and controlled by officials, then the very idea that they can be otherwise regulated must disappear. Hence will arise a still further belief in and dependence upon the omnipotence of the State, and therefore the total loss of the perception that social ameliorations can be brought about otherwise than by the compulsory orders of the State and its officials.

The Death of Freedom and Triumph of Grovel.

WITH this loss of independence, and loss of self-reliance, there must come further losses. The perception of personal rights in man, of equality of rights in man, the sense of justice, the love of freedom and independence—all these have arisen from the relation of contract between men.

In this relation of contract, every man knows that if he renders a service to any one he is entitled in return to a service of equal value, and if he receives a service then he knows that he ought to render in return a service of equal value. The hourly and daily recurrences of these exchanges under agreement, and the consequent settlements give rise to a constant maintenance of self-rights and a sympathetic recognition of other people's rights, and from these ultimately arises the notion of equality of rights amongst

the contracting parties. Thus the state of contract gives rise to the recognition of equality of rights, of justice, of freedom, and of independence.

But under Socialism all this must be lost; for Socialism does away with all contracts, substitutes status for contract, and, therefore, must do away with the sentiments which have arisen from the relation of contract. With the cessation of contract must come the loss of the perception of the equal rights of the contracting parties; with the loss of the perception of equal rights there must come the loss of the perception of all rights.

Above all there will be lost the feeling that all undue exercise of power and injustice must be resisted even by others than those against whom these acts are directed; that they must be resisted by every man who loves freedom and independence. With this loss of the feeling that aggression must be resisted, aggressions will become multiplied, and the more they multiply, the more will the sense of justice become overclouded; the more will resistance to oppression decline; the more will the community lose the perception that official acts may be wrong, and absolute obedience to official commands will become the only rule of life.

This tendency will be still further supported by the substitution of compulsory co-operation for voluntary co-operation, by the substitution of the universal "you shall" for the now existing "I will."

For under Socialism it is no longer impersonal necessity that compels men to labor, but personal authority. The will of officials determines for all persons the hours of labor, the nature of their labor, the place where their labor is to be carried on, and no man amongst the regulated workers can possibly tell the reason why those orders are given. Whether they arise from necessity or caprice; whether they are dictated by benevolence or malevolence—they must be obeyed all the same.

Therefore, again you have the loss of all independence, the loss of all that makes men men, and ultimately every order of the officials will be regarded as law, every one of their acts will be regarded as sacred. Resistance to official acts, however unjust, will then be branded as disloyalty, and the only cardinal virtue will be absolute slavish obedience to official commands.

Return to the Vices of Slavery.

WITH this loss of recognition of personal rights and of the sense of justice, of love of freedom and independence, there must come hand in hand the loss of honesty and truthfulness. "To speak the truth and fear not," are co-related sentiments. Truthfulness arises from self-respect, as self-respect arises from the maintenance of personal rights.

When, as is the case under Socialism, those rights are denied and lost sight of; where every man and every woman is constantly, from their earliest childhood, under the command of a power which regulates and controls every one of their actions; where compulsory labor is substituted for voluntary labor; where fear of punishment is the only incentive to exertion; there honesty and truthfulness must also disappear. For deceit and lying will be the only weapons of defense under Socialism as under every other form of slavery, and as these have become the traits of every subject population, of every enslaved people, so must they become the prominent traits of the people sunk in the slavery of Socialism.

Socialism, endowing its bureaucracy with an overwhelming power, will thus ultimately extinguish every desire among the people to resist that power. Slavery will then have become the natural condition of the people of the Socialized State, just as it has become the natural condition of several Oriental peoples, because of its congruity with the social sentiments which have been developed amongst them.

The ultimate outcome of Socialism is, therefore, deplorable in every direction.

Industrially it means retrogression, enormous loss of productive power, and poverty for the whole of the people.

Politically, it means absolute despotism on the one hand, and absolute slavery for the great majority of the people on the other.

Socially, it means the loss of the monogynic family.

Ethically, it means the loss of all the virtues that a thousand years of the struggle for freedom have developed amongst the nations of the world, and a return to the vices which distinguish slavery everywhere.

Will We Undo the Work of Runnymede?

I RECOGNIZE that the freedom which we enjoy to-day is as yet incomplete. It must be incomplete because our natures, not being as yet adapted to the higher social state, we are not yet worthy of complete freedom.

But the measure of freedom which we have attained is the result of a struggle which our ancestors have fought for over a thousand years. Of all the nations in the world, the British people have been most stubborn and most successful in this long-drawn battle for freedom. Is there a man of British blood, speaking the tongue which has carried the message of freedom over four continents, who, looking back upon this glorious struggle, does not feel his heart beat with enthusiasm at the thought that he also is of the line of men who knew how to die for freedom!

On the glorious field of Runnymede the flame was lit that no tyrant could since extinguish. It steadily burnt on through all the dark times of the Tudors; flamed higher and higher under the tyrant breath of the Stuarts, till it utterly consumed them. From that day to this its brightness has grown steadily, "Freedom broadening down from precedent to precedent"; illuminating and brightening the way for the people of Great Britain, America and Australia, serving as a beacon to the other and less fortunate nations of the world.

Wherever in modern times a nation has overthrown its tyrants, wherever by more peaceful means it has gradually extended its freedom, the inspiration has always come from that little island in the Northern seas, its freedom has been the star by which they steered.

Dare you then extinguish that flame? Will you prefer slavery to the limited freedom which the long martyrdom of your forefathers has won for you? Will you declare yourselves unworthy sons of that long line of heroes?

I have shown that Socialism cannot improve the economic condition of the masses of the people. I have shown that it cannot increase the amount of wealth which will come to the poor and lowly of this world. But even if it could improve their condition, I say that the price to be paid for it is too great if it involves, as I have shown it involves under Socialism, the loss of all freedom and the loss of the advance in morality which has come to us through growing freedom.

I have fought for years, and I shall go on fighting, for this elementary justice—that wealth shall belong to him who makes it; that every worker by brain or hand shall obtain for his own use all the wealth that his labor contributes to the common stock. But I look to that attainment of justice not through further restriction of our incomplete freedom, but through the extension of freedom; not through the further extension of governmental interference, but through the restriction of that interference.

Not capital, but privilege is the enemy of labor. All the special privileges that have been granted by the Legislature, the special privileges that you are constantly helping to create, they are the enemies of many whom special privileges cannot reach. Abolish special privileges! Give to all equal access to the inexhaustible storehouse of Nature, and wealth will distribute itself in exact accordance with justice without any interference by government officials.

Equal rights and equal opportunities, through greater freedom, these are the ideals that I would place before our people instead of the will-o'-the-wisp of socialistic despotism.