

BISOCIALISM

PART I

ECONOMICS

CHAPTER I.

OF THE ECONOMIC PROBLEM.

My soul is sick with every day's report
Of wrong and outrage with which earth is filled.

Cowper.

A new and fair division of the goods and rights of this world should be the main object of those who conduct human affairs.

De Tocqueville.

The young man of to-day who stands upon the threshold of business life is confronted by a serious problem. If he chooses a professional career, he sees before him a long and expensive course of preparation which, as a rule, only those can take who have unusual advantages of education or financial support. Yet when he completes this preparation he finds himself to be only one of a multitude, apparently, of young men for whom there seem to be no available opportunities. If he chooses a commercial career, he sees but small chance for a man of no

means or of only moderate means to engage in any pursuit with reasonable hope of success. Statisticians of repute tell him that of all business enterprises undertaken over 95 per cent ultimately fail. If he has no financial means or but small means at his command, his only prospect seems to be a life of salaried service in the employment of another—probably in the employment of a great corporation. If he turns from these professional and commercial prospects to till the soil, he is met, where farming is most profitable, by a demand for approximately one-half of all he can earn, one year with another, for the privilege of tilling a given piece of ground—for the mere privilege of living and working upon the earth.

The problem which faces the average man of middle age is almost as serious as that which confronts the man who is just beginning to meet life's responsibilities. If a man in middle life has a profession, he sees the field becoming crowded with young men just out of school; and while these competitors themselves scarcely live, they secure enough business to cut down his income, or at least to prevent it from increasing as formerly. If he is a merchant, he sees his trade gradually dwindling away because of the department store and the mail order house with which he must compete with odds against him. If he is a small manufacturer, he sees himself giving way little by little before the merciless competition of the trust. If a tenant farmer, he sees his rents rising year by year, while the increase in the price of lands makes it more difficult for him to secure even a small farm of his own. If he is a wage earner, he realizes that his position be-

comes more precarious every day, and that to lose his employment is a calamity most fearful for himself and those dependent upon him to contemplate.

But of all persons who must live by their labor from year to year the man who is approaching old age has most to dread. In the economy of the present day there is no place for the old man. Although he may have served faithfully for thirty or even forty years, he fears more and more as the weeks go by that with the next pay envelope he will receive the notice, becoming well nigh inevitable, that his services are no longer needed. He looks forward to the time when, like an old horse, he will be turned out to die.

In such circumstances it is not strange that men are discussing as never before the evils which now befall the masses, and that they ask of Economic Science some explanation of the origin of these evils and demand of it a remedy. In vain has workman delved, inventor planned, and scientist sought the laws of force and life; in vain has patriot died and statesman wrought unless the economist shall solve the problem which confronts him. People see readily enough that the miseries of the established order can not be for lack of sufficient property for all, because while many are in want, or in dire fear of want, a few persons are possessed of fortunes beyond the dreams of avarice.

The conviction is growing among all the classes we have considered that the trouble lies in the laws which affect the distribution of property. But when they turn to Economic Science for a satisfactory solution of this

matter, they are confronted by so many divergent and conflicting theories upon every phase of every question that they are likely to become discouraged and to conclude that a clear and complete solution of economic problems is impossible. They find not only that different writers uphold different theories, but, with one or two notable exceptions, given writers upon economic subjects uphold theories upon various phases of their themes which are utterly inconsistent with one another. It seems impossible to take the writings of any writer or school of writers upon economic subjects, and from such writings frame a complete treatise of Economic Science consistent in all its parts. Yet when fully analyzed all theories which have been or may hereafter be advanced along economic lines may be classified as supporting one of three schools of thought. All such theories are either anarchistic in their tendencies, or they tend to support the established order substantially as it exists, or they tend to support some form of socialism.

In a later chapter we shall ascertain the proper scope of Economic Science, and define and distinguish its two branches—Economics and Political Economy. For the present it is sufficient to say that the general subject which we are to pursue has to do with the question, What should be the policy of the State with reference to the institution of property? This is the economic problem. By the "State" we mean throughout this discussion the body politic commonly called the Government, whether this body politic manifests itself in the nation, the political division called a state, or territory, or prov-

ince, or any subdivision of these, such as county, city or other municipality. By the "institution of property" we mean property with reference to its legal status—the sum total of what we usually call property rights under the law. The State determines what shall be deemed property, fixes and regulates the tenure by which it is held, and undertakes to protect the owner of property in the enjoyment thereof.

Viewed as a whole, Economic Science presents a double aspect. Upon the one hand it raises questions concerning the nature, the proper sphere and functions of government, and even of its *raison d'être* (reason for existence). Upon the other hand it raises two fundamental questions concerning the legal status of property; first, What things are rightfully the subject of property? and, second, What should be the policy of the State with reference to the individualization or socialization, or both, of those things which are rightfully the subject of property?

From the first point of view the most fundamental question raised by our inquiry is that of the *raison d'être* of government. Upon this question all men are divided into two classes; they are either anarchists or government-alists.

Were it not for the mistaken notions which prevail even among persons generally well informed concerning anarchists and anarchism, we should pass these people and their doctrines without discussion. As it is, we are impelled to say that anarchists themselves are divided into two classes as different from each other as light from darkness. They all see the evils of misgovernment, past

and present, and conclude that these evils are inherent attributes of every form of government, and that the only remedy is the abolition of all government. They agree, also, that all government is based solely upon physical force. But here they part. One class believes in opposing force with force, and some individuals even believe in removing rulers by assassination. These anarchists of the sanguinary type we shall call revolutionary anarchists. They are comparatively few in number, but their occasional deeds of violence, especially against the heads of governments, give them and their doctrines great prominence, and all anarchists are indiscriminately condemned along with them in the public mind.

The other class of anarchists take an exactly opposite view of the situation. Being opposed to government because it is based, as they maintain, upon physical force, they do not deem it consistent to oppose it with force, and do not advocate resort to force in any circumstances. They are even less participant in government than the Quakers. An anarchist of this philosophic type—an evolutionary as distinguished from a revolutionary anarchist—not only refuses to oppose government with force, but he refuses voluntarily to uphold it even with his vote. He not only has conscientious scruples against being a soldier, but against being a part of the civil machinery of government in any way. Yet in matters in which he has no choice he yields peaceably to the government. He will not vote, because voting is not compulsory. But he will pay taxes and do other similar things under compulsion without any show or even thought of physical resistance.

In this attitude of peaceableness he has no superior. He talks against the existence of government even where speech is not free; but he favors the abolition of government by peaceable means. The mode of procedure which he advocates is the abolition of the exercise, one after another, of the various functions of government as now constituted. This, if carried out, will bring about a state of non-government in which every man, according to this doctrine, will do as he sees fit, without injury or hindrance to any other man in the enjoyment of equal freedom. This is the ideal of evolutionary anarchy. Unless Economic Science can refute the claim of the anarchist that such a consummation is possible in the absence of government (and only in the absence of government), the police power of the State will struggle with him in vain.

The theory of the evolutionary anarchists does not imply that under an anarchistic régime every man would isolate himself, and that there would be nothing of the coöperation of modern life. Quite the contrary. Such anarchists believe in coöperation; they would live and work together in communities, but their coöperation as well as their communism would be purely voluntary. There would be no body politic to say to any man "thou shalt" and "thou shalt not." Nor could any man say these things to another with authority.

It is conceded by evolutionary anarchists that under the system which they advocate great cities with their skyscraping buildings, myriads of luxuries, and gigantic business enterprises would not exist. But neither, they claim, would there be any jails, penitentiaries, poorhouses,

insane asylums or suicides. These things, say the anarchists, are the price which we now pay for the so-called advantages of a false civilization.

Opposed to the anarchists are all persons who advocate the maintenance of government. Such persons we have called governmentalists. All persons, therefore, favor either anarchism or governmentalism.

Anarchism is that condition of society which prevails in the absence of all forms of governmental polity.

Governmentalism is that condition of society which prevails under any form of governmental polity.

A distinction must be made between anarchism and individualism. Individualism does not imply an entire negation of government, but simply a limitation upon its activities in certain directions and especially in the matter of its polity toward property, property values and industrial enterprises. Individualism, while distinctly negative in character, constitutes a form of governmental polity.

Individualism is that form of governmental polity by virtue of which the State leaves property, property values and industrial enterprises to individual ownership, operation and control.

The doctrines of all governmentalists tend either to uphold the established order substantially as it exists, simply increasing its individualism a little here or its socialism a little there; or to substitute for the established order, or for some material part of it, a form of systemic socialism.

Socialism is that form of governmental polity by virtue of which the State takes unto itself property, property

values and industrial enterprises for the common use and benefit of all the people.

In the established order there are several socialistic features, but they are unrelated to one another and do not constitute essential parts of a distinctively socialistic system. The postoffice department of our national government is such a socialistic feature; the public schools maintained in the several states furnish another illustration. Yet there is at present no well-defined economic relation between these socialistic features; either might exist without the other. Such examples of socialism in present conditions are purely sporadic. The governments which maintain them disclaim any intent to establish systemic socialism to any degree in any of their departments.

Sporadic Socialism is that form of socialism in which the various socialistic features of government are unrelated to one another and do not constitute essential parts of a distinctively socialistic system.

Systemic Socialism is that form of socialism in which the various socialistic features of government are related to one another and constitute essential parts of a distinctively socialistic system.

The fact that the established order maintains purely socialistic features without committing itself to socialism as a system in any degree is the result of the individualistic conceptions which pervade the common thought. These conceptions are expressed in such aphorisms as these: "That government is best which governs least." "The less government the better, provided the end be attained."

Such conceptions of individualism are strongly impregnated with truth, but they are as sporadic in their inception and application as are the conceptions of sporadic socialism. Individualism as it is manifested to-day as a governmental polity is simply a negation. It acts merely as a check upon the tendency toward socialism; it has no definite and complete doctrine, working plan or program of its own; nor does it point to any distinct line of demarcation between those things which are within the proper sphere and purview of government and those which are not.

Those persons whose doctrines tend to uphold present conditions we shall call standard economists. Some of their doctrines are socialistic and others are individualistic in their tendencies. Indeed, in one respect the standard economists agree with the anarchists, for like the anarchists they believe that government—the body politic—is an evil. Like the socialists, on the other hand, they believe that government is necessary. According as the standard economists incline toward one or the other of these inconsistent doctrines, they advocate the curtailment or the increase, respectively, of governmental powers and functions, but not to the extent of anarchy upon the one hand nor of systemic socialism upon the other.