

CHAPTER IX.

OF EQUALITY OF OPPORTUNITY.

It's hardly in a body's pow'r
To keep at times frae being sour
To see how things are shar'd.

Robert Burns.

Many, indeed, fail with greater efforts than those with which others succeed, not from difference of merits, but difference of opportunities; but if all were done which it would be in the power of a good government to do, by instruction and by legislation, to diminish this inequality of opportunities, the difference of fortunes arising from people's own earnings could not justly give umbrage. *John Stuart Mill.*

In our analysis of the competitive system of industry and exchange we learned that from an economic point of view the great desideratum of business life is the acquisition of net value. Net value lies between two movable points, the point of positive utility and the point of exchange. The point of exchange remaining the same, anything which will lower the point of positive utility to the individual producer, will, to that extent, increase his net values; and likewise, the point of positive utility remaining the same, anything which will raise the point of exchange of particular products will lead to a corresponding increase of net values in the hands of certain producers.

In the course of the competitive system under the established order, some men have come to understand the fact

that an increase of net value may result from the ability, energy, and thrift of the individual exerted in a fair field, with no detriment or disadvantage to his fellow-man, or to society as a whole; or it may result from the individual appropriation of a land-form having a superior advantage of fertility or of location, or both; or from a differential privilege, i. e., a franchise or a monopoly, created and enforced by the State for the benefit of a private individual, company or corporation. Stated in another way, men have learned that, where equality of opportunity prevails, differential net value can be acquired only by means of superior ability, energy, and thrift; but that under the established order it is possible for some men—not all men—to secure net values which do not result from individual ability, energy or thrift, but depend upon the differential qualities of opportunities specially enjoyed under the law.

In an economic system which creates and dispenses differential opportunities in industry, exchange and land tenure, it is natural that men should strive to become the beneficiaries of such advantages. Men are wont to assume that anything that is legally right is economically correct; and under a system which encourages a struggle for differential opportunities, and rewards the successful man with prominence, riches and honor, while condemning the unsuccessful to obscurity, poverty and servitude, many men become utterly indifferent to questions of Economics, and even of ethics, and aim only to keep within the law in the acquisition of net values. The “captains of industry” and the “Napoleons of finance” of the established

order have acquired their riches, prominence and power, not by the exercise of superior energy, skill and ability in overcoming the disutilities of matter, time and space in an open field, but in acquiring differential advantages, under the law, over their fellow men.

If the established order is to continue, its glaring inequalities and the sources of its differential privileges and advantages can no longer be concealed. Political Economy must come out into the open and discuss practical problems regarding the means of acquiring these advantages. The young man who is seeking a practical education must be shown that unless he acquires some differential privilege, he can lower the point of positive utility only by the exercise of superior labor-power or by the use of capital-forms in the ordinary manner; and that unless he acquires such a differential privilege, he can have no control whatever over the point of exchange. If the established order furnished him a field in which opportunities were equal and open to all, he might well rely upon his own efforts for success. But he should be led to understand that in the established order opportunities are not equal and open to all, and that he must either secure special advantages or become the victim of those who do.

Every man in the United States of America is either the beneficiary of some differential privilege in industry, exchange, or land tenure, or pays tribute to some other person who is such a beneficiary. There is no man so rich through his own energy, ability and thrift, that he can escape the toll-gatherers of privilege, and none so poor that by these collectors of economic tribute he is not made

to suffer. The very poor all live upon an artificially depressed economic margin, and are all despoiled of the normal marginal return. These have no opportunity to recoup their losses or any part thereof, and their spoliation is without mitigation and without recourse. Above the margin there is a chance that instead of being always a victim one may sometimes become a beneficiary; but there is no neutral ground. It is one of the greatest defects of the established order that it presents no way by which a man may escape the blighting effects of its differential privileges; no place where he can produce upon a normal margin; no place where he can be free from monopoly; no place nor manner in which he can satisfy his own desires with the least exertion, without interference, or without interfering with the equal opportunity of some other man to do the same.

If the established order is economically right, then it is right to teach the young to take advantage of its institutions. If it is economically wrong, the wrong is institutional, not personal, and institutional changes are necessary to its reformation. It is useless to decry the monopolist while maintaining monopoly; it is useless to attack the members of a trust monopoly as long as the trust furnishes the most available legal method of acquiring differential values. To eliminate the monopolist and the trust magnate it is necessary either to destroy or to socialize all legal differentials; it is necessary to establish equality of opportunity. It is not necessary, however, to establish equality of personality or equality of product among those who toil.

Equality of opportunity is just as essential to the buyer as to the seller—to the customer as to the producer. In the established order the marginal consumer is artificially depressed to the same extent as the marginal producer. He has acquired his ability to purchase—his ordinary trade-forms or their equivalent money-forms—upon an abnormally depressed economic margin, so that at the outset he is despoiled of the full fruition of his labor. And when he enters the market with his scant supply of money-forms, he finds scarcely an article for sale except at a price artificially held above the normal margin through some form of differential privilege in the hands of others. In buying sugar he pays tribute to the sugar trust; flour, to the milling trust; oil, to the oil trust; fuel, to the coal trust; lumber, to the lumber trust; hardware, to the steel and iron trust; salt, to the salt trust; clothing, to the beneficiaries of a protective tariff; and so on through the entire list not merely of the luxuries, but practically of all the necessaries of life. And at the same time that the purchaser is thus despoiled of his already decimated earnings, the supposed protected workingmen in the coal mines, iron and steel industries, etc., are striking or threatening to strike for a “living wage”; that is, for a bare subsistence—the wage of slavery. The wage-worker of to-day even as a labor unionist does not ask for economic freedom; he seeks only to make his serfdom more tolerable. When the economic equality of bisocialism becomes his goal, he will become invincible. Until then, despite the efforts of all those who simply attempt to resist or to mitigate the evils of the established order, the

tragedy of the submerged element of society will go on and on—"a striving, and a striving, and an ending in nothing."

The fact that there is a submerged element in the established order is universally conceded. Current literature abounds with references to these unfortunates, and writers upon sociological subjects vie with one another in discussing the status of this element, its cause and the possibility of a remedy for the evils which follow in its train. The generally accepted theory is that these people are submerged because of their personal weaknesses, shiftless habits, and moral delinquencies; that there is no economic cause for their condition, and that as a class they need not exist except for the personal unfitness which they individually and collectively exhibit; that whatever wrong is involved in their degradation is their own personal wrong, or the wrongs of their individual ancestors, and that society as a whole is guiltless of any offense in that respect. This being the verdict of its votaries, the established order treats this submerged element accordingly. It punishes their individual shortcomings with one hand and doles out individual charities with the other. It looks upon their shiftlessness and intemperance as the cause of their poverty; their natural inferiority as the cause of their servitude; and their inherent depravity as the cause of their crimes. Consequently it condemns their ways of life, bewails their weaknesses, and punishes their trespasses against the law. But civic consciousness instinctively feels that this is not enough, and social conscience instinctively recoils from such inhospitable views.

Church and State contribute liberally to relieve the distresses of poverty with charity, but no sooner has one case been relieved than there arises another more heart-rending than before.

The diagnosis of bisocialism concerning this submerged element of civilized society is exactly opposite that of the established order. It maintains that as a class only those are economically submerged who are forced by present conditions to live below the normal economic margin; that there is an economic cause for their condition, and that as a class they need not exist except for institutional wrongs for which society as a whole, and not the submerged as individuals, is responsible. It is true that if a submerged element must exist because of the artificial depression of the economic margin, the weak will naturally become the victims of such artificial conditions, and the weak, being depressed, will tend to become shiftless, intemperate and even vicious in their habits and behavior. But these traits are primarily results, not causes, and crime is the concomitant, not the cause, of evil economic and social conditions among the lowly.

The remedy of bisocialism for the poverty and degradation of the submerged element is quite as radical in its departure from the established order as is its diagnosis. Social righteousness is what it seeks; justice, not charity, is its remedy. It recognizes a clear line of demarcation between the voluntary and the involuntary poor. Before it condemns the individual it demands for him a fair trial—an opportunity second to none in the land to succeed and to live uprightly. If with equal opportunities some

fail, justice will condemn the delinquent, or charity will relieve their unavoidable necessities, as the case may require. But in the established order justice is helpless and charity is abortive because, in any given case, it is usually impossible to determine just how much, if any, the individual is to blame, and just to what extent, if any, he is entitled to receive a helping hand. The condemnation which is the prerogative of justice, if mistakenly imposed, degrades instead of punishing; and the gracious gift of charity, wrongly disposed, degrades instead of helping. Under the régime of bisocialism, justice and charity may walk hand in hand, each exercising its legitimate function, in normal conditions, to the common benefit and uplifting of all men. With equal opportunities to all—accident and affliction aside—no man need feel the pangs of poverty unless he chooses to be poor. With equal opportunities to all—accident and affliction aside—no man need starve unless he deserves to starve. These are the doctrines and the dreams of bisocialism. With a world in which these economic conditions were realized we might reasonably be content. But until we have such a world, and such a world is possible, we should be content—never.

In order to determine which is right in its theory of the submerged element, it is only necessary to test the remedies proposed by the established order and by bisocialism, respectively. If all the individuals of this element should become energetic, thrifty and thoroughly temperate, the economic result would be an increased demand for land-forms upon which to exert their labor-power; and

the improvement of their homes, their surroundings and social life would make it more desirable to live in their midst; hence ground rents and ground values would correspondingly increase. The men who owned the land-forms of the community would reap substantially the entire financial benefit. The augmented price of land-forms for home building would render it harder for the next generation to acquire homes in that locality, and the net result would be a reduction of the margin to a still lower level with a submerged class developing thereon. The established order proposes no remedy which will raise the economic margin. Its attitude confirms the suggestion of Tolstoi that the beneficiaries of privilege will consent to anything in the world for the relief of the poor except to get off their backs.

The abolition of all monopolies as contemplated by bisocialism would not of itself finally solve the problem of the submerged element, for this, like every other improvement either in the people or in the administration of their affairs, would ultimately be reflected in increased ground values. Ground value is the fundamental differential based upon legal privilege, and tends constantly to absorb all the benefits of civilization. It is only when the full program of bisocialism is applied that equality of opportunity may be established by the socialization of all public utilities and of all ground values.

It is urged by omnisocialists as a fundamental tenet of their economic doctrine that it is the owner of capital as employer and as usurer who submerges and keeps submerged the members of the lower strata of society, and

that no remedy is sufficient which does not provide for the total extinction of the capitalist both as an employer of labor and as a lender of money-forms. Attention is called to the fact that among the poorer classes the highest rates of interest are always paid; that when the current rate of interest is 5 per cent *per annum* the very poor habitually pay 5 per cent *per month*, and upwards, for loans upon their scant supplies of jewelry, furniture and even clothing. It is also shown that these people in buying coal by the basket and even by the scuttleful are charged double the price paid by those who secure a season's fuel at the most advantageous time. These are given merely as examples of the wholesale exploitations of the poor.

The answer of the bisocialist to this arraignment of the established order based upon well known and indisputable facts is the same as its answer to the standard economist. These things are not the causes of poverty, but are its necessary concomitants when it is manifested upon a submerged economic margin. The men who loan these people money at exorbitant rates of interest did not originally make them poor; they simply take advantage of a situation which they can no more control than can the exploited borrowers themselves. In order to live these marginal masses must have an opportunity. Their natural opportunity having been removed by their expropriation from the soil upon its normal margin, they are driven to secure an artificial opportunity at what cost they may. They do not become borrowers because of the high rates of interest, but in spite of them. The loan shark and his victim are both the natural and necessary consequences

of a system of land tenure and legal privilege which despoils large numbers of people of the normal marginal return.

The same thing is true with reference to those who sell to the poor at exorbitant prices the very necessities of life. They did not originally make these people poor. It was only after these unfortunates became poor that they had to buy in pittances and to patronize those who offer goods for sale in that manner at greatly increased prices.

The student of economic questions must at all times clearly realize and fully consider the fact that all conditions which exist below the natural economic margin are abnormal, and hence phenomena there exhibited can not be taken as indicating the normal results of economic laws. In order that normal phenomena may be exhibited and true conclusions drawn therefrom, it is necessary, first, to restore the normal economic margin, and then to raise its level to the highest available point. When this is done (accident and affliction aside) none but those who are willfully poor need become the victims of the usurer.

Let it be remembered that bisocialism contemplates not only the taking of all ground values in taxation, but also the expenditure of all these values and the administration of all public utilities for the common good. The taking of all ground values into the public treasury will completely destroy the holding of desirable land-forms out of use, and will tend to put all land-forms to their best use. This will raise the marginal producer to the normal economic margin. On the other hand, the expenditure of public revenues in the extension and cheapening of pub-

lic utilities, such as railroad transportation, will greatly increase the utility of those land-forms which now lie upon the normal margin.

Thus by the public collection of ground values the normal economic margin will be restored and the involuntarily submerged classes will be no more; while by the public expenditure of ground values the condition of those who produce upon the normal margin will be vastly improved. The destruction of differential privileges with their consequent differential values is necessarily a leveling process. But the leveling contemplated by bisocialism is largely a process of leveling up, not down, and in this respect it has a decided advantage not only over the established order, but also over omnisocialism.