CHAPTER XI

SOCIALISM AT WORK

SOCIALISM in its advanced stage is seen at its best just now in Belgium. A small country, sore pressed in its industrial struggle by its great neighbors, England, France, and Germany, its capitalists have been driven to the closest cutting of the wage scale. They have used new mechanical inventions to weaken the trade union, in order to employ women and young apprentices more freely. Constant recourse has been had to the law against coalitions in the same spirit that we now use injunctions. Especially among the mining and iron industries, strikes were frequent, prolonged, and bitter. Behind the formation of this party were the long, riotous strikes in that great industry of the country, coal mining. There were the same traditional abuses that have been the shame of our own coal region, — systematized pilfering from the miners in the loading and weighing of coal, in deductions by sale of powder and through the truck stores, and a vicious use of credit. The final result of all this was to throw these masses into a sullen and determined political opposition. Socialistic organization began with the appearance of the International in 1866. At the first Congress in Ghent, 1877, the Marxian policy was adopted. There was an instant revolt of the autonomists, or anar-

chist sections. There was the same bitter internal strife that everywhere appears during the period of abstractions.

Two years after this first Congress, a movement began which for twenty years has added increasing strength to the cause. In 1879 a socialist workingman in Ghent, Edouard Anseele, angry at the incessant bickering over phrases and programmes, began an experiment with a coöperative bakery. In 1898 I went about this city with M. Anseele to see the stores, the bakery, and splendid club-house with its great garden. He said: "The plan of bombarding capitalism with loaves of bread has succeeded beyond any dream I ever had. I knew that the wage system was doomed, and that competition must yield to coöperation, but I did not expect to see, while I am still young, six thousand loyal members in this small city. They tell us we are atheists and without a religion; but without a religion these poor families would not sacrifice all they have to build up our *coöperative* in Ghent. It is our religion to found a society in which the poor shall have just as many chances for leisure, good homes, and the best education that their talent deserves. We believe we can do this only by training the common people to create more and more wealth themselves without the parasites. We therefore begin by shaking off as many middlemen as we can drive to productive work, by doing better ourselves what they did. We began with bread, because it is the great necessity of us all. All who buy our bread are fighting the sweater who works his laborers in mean dens fourteen and fifteen hours. Every loaf that we make stands for a clean shop, three and

CHAPTER XI

SOCIALISM AT WORK

SOCIALISM in its advanced stage is seen at its best just now in Belgium. A small country, sore pressed in its industrial struggle by its great neighbors, England, France, and Germany, its capitalists have been driven to the closest cutting of the wage scale. They have used new mechanical inventions to weaken the trade union, in order to employ women and young apprentices more freely. Constant recourse has been had to the law against coalitions in the same spirit that we now use injunctions. Especially among the mining and iron industries, strikes were frequent, prolonged, and bitter. Behind the formation of this party were the long, riotous strikes in that great industry of the country, coal mining. There were the same traditional abuses that have been the shame of our own coal region, — systematized pilfering from the miners in the loading and weighing of coal, in deductions by sale of powder and through the truck stores, and a vicious use of credit. The final result of all this was to throw these masses into a sullen and determined political opposition. Socialistic organization began with the appearance of the International in 1866. At the first Congress in Ghent, 1877, the Marxian policy was adopted. There was an instant revolt of the autonomists, or anar-

chist sections. There was the same bitter internal strife that everywhere appears during the period of abstractions.

Two years after this first Congress, a movement began which for twenty years has added increasing strength to the cause. In 1879 a socialist workingman in Ghent, Edouard Anseele, angry at the incessant bickering over phrases and programmes, began an experiment with a coöperative bakery. In 1898 I went about this city with M. Anseele to see the stores, the bakery, and splendid club-house with its great garden. He said: "The plan of bombarding capitalism with loaves of bread has succeeded beyond any dream I ever had. I knew that the wage system was doomed, and that competition must yield to coöperation, but I did not expect to see, while I am still young, six thousand loyal members in this small city. They tell us we are atheists and without a religion; but without a religion these poor families would not sacrifice all they have to build up our *coöperative* in Ghent. It is our religion to found a society in which the poor shall have just as many chances for leisure, good homes, and the best education that their talent deserves. We believe we can do this only by training the common people to create more and more wealth themselves without the parasites. We therefore begin by shaking off as many middlemen as we can drive to productive work, by doing better ourselves what they did. We began with bread, because it is the great necessity of us all. All who buy our bread are fighting the sweater who works his laborers in mean dens fourteen and fifteen hours. Every loaf that we make stands for a clean shop, three and

four hours' less work per day, and the principle of the minimum wage. To buy of us means brotherhood instead of war. To make this better method succeed in the teeth of capitalism requires of our members great sacrifices at the start. They are making them because of their enthusiasm for the freedom of the coöperative state."

I went later with M. Anseele to see the "Home of the People" — the centre of social and educational life. I expressed surprise that a body of workingmen could have bought a building and grounds of such pretensions. "Ah, but we got it cheap," he answered; "it was the club-house of the capitalist politicians (the liberals). They are now so near a wreck that they could not afford to keep it. They were furious when they found that their political social rendezvous had become a possession of the socialists."

The incident is not without significance. It is as if the socialists in Chicago or New York should buy the Union League clubs. Since the founding of the Parti-Ouvrier, political liberalism with its *laissez-faire* traditions has so far perished that all sorts of conservative and property interests have joined hands to fight the common foe — socialism. Until 1879 there was obstinate resistance by workingmen against all proposals to take their party into politics, just as our own farmers' and trade-union organizations have so often set themselves against political affiliations, but may like their Belgian fellows be driven solidly into politics.

In 1880, definite and systematized political agitation began. I had pointed out to me in Brussels the saloon

chist sections. There was the same bitter internal strife that everywhere appears during the period of abstractions.

Two years after this first Congress, a movement began which for twenty years has added increasing strength to the cause. In 1879 a socialist workingman in Ghent, Edouard Anseele, angry at the incessant bickering over phrases and programmes, began an experiment with a coöperative bakery. In 1898 I went about this city with M. Anseele to see the stores, the bakery, and splendid club-house with its great garden. He said: "The plan of bombarding capitalism with loaves of bread has succeeded beyond any dream I ever had. I knew that the wage system was doomed, and that competition must yield to coöperation, but I did not expect to see, while I am still young, six thousand loyal members in this small city. They tell us we are atheists and without a religion; but without a religion these poor families would not sacrifice all they have to build up our *coöperative* in Ghent. It is our religion to found a society in which the poor shall have just as many chances for leisure, good homes, and the best education that their talent deserves. We believe we can do this only by training the common people to create more and more wealth themselves without the parasites. We therefore begin by shaking off as many middlemen as we can drive to productive work, by doing better ourselves what they did. We began with bread, because it is the great necessity of us all. All who buy our bread are fighting the sweater who works his laborers in mean dens fourteen and fifteen hours. Every loaf that we make stands for a clean shop, three and

four hours' less work per day, and the principle of the minimum wage. To buy of us means brotherhood instead of war. To make this better method succeed in the teeth of capitalism requires of our members great sacrifices at the start. They are making them because of their enthusiasm for the freedom of the coöperative state."

I went later with M. Anseele to see the "Home of the People" — the centre of social and educational life. I expressed surprise that a body of workingmen could have bought a building and grounds of such pretensions. "Ah, but we got it cheap," he answered; "it was the club-house of the capitalist politicians (the liberals). They are now so near a wreck that they could not afford to keep it. They were furious when they found that their political social rendezvous had become a possession of the socialists."

The incident is not without significance. It is as if the socialists in Chicago or New York should buy the Union League clubs. Since the founding of the Parti-Ouvrier, political liberalism with its *laissez-faire* traditions has so far perished that all sorts of conservative and property interests have joined hands to fight the common foe — socialism. Until 1879 there was obstinate resistance by workingmen against all proposals to take their party into politics, just as our own farmers' and trade-union organizations have so often set themselves against political affiliations, but may like their Belgian fellows be driven solidly into politics.

In 1880, definite and systematized political agitation began. I had pointed out to me in Brussels the saloon

in which the policy of 1885 was framed. As English trade unions in earlier days were forced to meet in drinking places, because no hall could be hired, the workingmen here meet in saloons. My companion, M. Van Loo, actuary of the company, who told me this, was showing me the veritable "Palace of the People," just rising on the heights and overlooking Brussels. "Now," he said, "a strong party among us is making for temperance, and we mean to put a ban on all gatherings where the passion for drink can be used to pay for our meeting places."

Trying once to find the mayor in a socialist commune in France, I was told by a catholic gentleman: "The mayor? Oh, you will find him in the saloon." He was in the *estaminet*, but the scornful comment was not quite fair. Hundreds of saloons are kept by men who have been blacklisted because they were too active in the cause of labor. They became saloon-keepers both as a means of sustenance and because the agitation could in this way be best carried on. These men were found everywhere in Belgium. Sympathy naturally led the laborers to patronize this type of drinking place. The principal organ of the party, *Le Peuple*, was first printed in a saloon. A Brussels lawyer told me that one great good of the Maison du Peuple in the different towns was that the displaced laborer found a natural home there. He thought the cause of temperance among the working classes had been distinctly furthered by the socialist institutions. On a fête day, one may see hundreds of families in and about their clubs, taking their pleasure far more safely than in private saloons. Several of the socialist centres have voted to exclude altogether the sale

of strong alcoholic drinks, in spite of the pecuniary loss and the driving away of many comrades. In the widely circulated almanacs of the coöperators one may find crisp and telling extracts upon the evils of alcohol. At one of the first sittings of the council when the Maison du Peuple was opened in Brussels, it was voted to organize a campaign against the liquor abuse.[1]

This quite magnificent building, which cost workingmen a million francs, is to Brussels what the "Vooruit" is to Ghent and "Progrès" is to Joliment. These are the three leading centres of socialist work and agitation. I went first in Brussels to see the great bakeries, where no employer or middleman has any footing. In 1897 they were producing in this city alone ten million kilos of bread. Nearly one hundred thousand francs were, in six months of the year, credited to the purchasers in benefices. Five thousand francs were set apart to extinguish the debt on their great club-house, and about thirteen thousand for the propaganda. The membership, in 1899, reached eighteen thousand heads of families, representing nearly one hundred thousand people. Bread was made in such quantities that three centimes' rebate per loaf gave back to the buyers one hundred and fifty thousand francs. Since the beginnings in Ghent more than fourteen hundred coöperative societies have been established. These include credit associations, creameries, and groups of farmers for the common buying and selling. Many of these are

[1] In a collectivist hall in a mining district near Charleroi, I saw temperance placards of a kind that one would expect to see in a hall of the Women's Christian Temperance Union.

purely business enterprises, but are greeted by collectivists as further stages in the extinction of the middleman. This whole movement is economic, but at the same time political. The English coöperation, from the store to the wholesale departments, thence to the coöperative wholesale workshops, is socialistic in that it extinguishes thousands of profit-making middlemen. The business gains go automatically to the sixteen hundred thousand purchasers. The Belgian *coöperatives* are all this and more. They use their profits for the express purpose of spreading socialism. Their thirty-three members of parliament, their schools and lectures, their press and pamphlet literature, make heavy drafts upon their resources. Literally, millions of small pamphlets have a free distribution among workingmen not yet in sympathy with socialism. They believe that capitalism and the wage system are the root and perpetuation of social inequalities. They believe that the reigning politics is but a reflex of these private business interests. They therefore use for their weapons, coöperation and political agitation; the shareholders *en masse* hold the political opinions of the party. I asked a member of parliament which was considered the more important, politics or business. "I cannot tell," he answered; "we go to the polls and the workshop for the same end, to make a decent human society possible."

The economic and business basis of this cult already includes drug stores, creameries, breweries, shoe and furniture making, groceries, coal depots, and markets. In addition, they now have old-age insurance, which gives pensions at sixty years of age to those who have been twenty years members.

At Ghent the doctor is free, as well as medicines from the socialist pharmacy. In centres like Charleroi and Joliment where the labor troubles have been at their worst, the growth of these *coöperatives* has been rapid. I saw one at Roux in its very beginnings; Four years later, its property had an official valuation of above two hundred thousand francs. At Joliment the membership has reached twelve thousand. Bakeries, meat markets, pharmacies, were prosperous; but the brewery was the source of even more pride. Its profits in 1899 were ten thousand francs. My guide insisted that the brewery was even a moral institution; — "We go much less to the saloon, on boit cette excellente bière coöperative maintenant en famille." The enemies of this collectivist propaganda tell you that it is coarsely materialistic, not only destitute of religion, but destitute of intellectual and æsthetic ideals. I looked with some care at their libraries, which represent several thousand volumes. These had been gathered by members whose daily wage does not, I think, average one dollar and a quarter. Would hard-working men and women, with this income, pay for such luxuries if lower motives alone moved them? There were hundreds of volumes which any scholar would gladly possess. The selection was both serious and intelligent. *Bibliothèques populaires* everywhere abound in Belgium and are freely patronized by the working class. As for art, one of the first sections at the Maison du Peuple, in Brussels, was founded in order to further æsthetic interests. While I was in Belgium, two lectures were given on the relation between economics and art. Lectures were announced on Wagner and William Morris and one "On the

Evolution of Art," by one of Belgium's most eminent lawyers, Senator Picard.

A socialist character in one of Henry James's stories goes to Italy. As the great masters work upon his imagination, the disturbing thought first comes to him that socialism would cut these noble canvases into tiny bits for common distribution. This awful suggestion appears to bring him back into the beaten path of respectable opinion. This conception of socialist views about art is extremely popular, but it is even more naïvely untrue than that other current philistinism that "socialists want to make everybody equal." Whether a collectivist society would, as many artists believe, give the world again a great art, cannot now be told, but the effort to create the impulse and the conditions under which such an art would have its inspiration, is very real. The most important party paper, Le Peuple, contains articles upon æsthetics from the best-known names in Belgium. It was a socialist deputy that led the discussion in Parliament in favor of a subsidy to restore the Abbaye d'Aulne. It was this party that urged the ministry to have some policy of making the government railroad stations beautiful, from an artistic point of view, and to extend the instruction in the museums and art schools, so that people should benefit more freely from these institutions. Nor has any one done more in Belgium to extend what we should call university extension than many members of the Parti-Ouvrier. These efforts to enrich the life of labor, together with the attempts to lessen the evils of drink, indicate that the term "a coarse materialism" carries with it more prejudice than truth.

Federation and its Hopes

The work of federating all the socialist societies has begun. The delegates of sixty-six *coöperatives* met in Brussels in 1898. A centre for registration was established, and the first wholesale purchases for the smaller groups have since been made. Above one hundred associations have already united in this federation. The workingmen hope that the economic advantage of this large organization — buying and producing — for the smaller societies will compel outside coöperators to affiliate with them. The creameries have already federated, having in Brussels a central market for the sale of butter and cheese. The *Moniteur Officiel* gives a list of above four hundred coöperative societies founded from 1898 to 1900. The purely productive *coöperative* is, as everywhere, in the minority, but fifteen new ones are recorded in the year 1899.

The statement of a socialist deputy shows us very clearly what his party is trying to do, and why a bitter resistance comes now upon the scene. "We have," he says, "proved once for all that in an increasing number of industries the employer and middleman can be dispensed with. Nearly two thousand *coöperatives* exist now in Belgium. They are upon the farm, in the workshop, in hundreds of loan and credit associations. In more than twenty different kinds of businesses, distributive and productive, coöperation has come to stay. We ask for freedom to extend this method throughout the country. In the fields where coöperation could work, we can show that three millions of francs a year can be turned from the

pockets of useless middlemen into the pockets of all the purchasers of these products. If in any industry we make coöperation a success, that of itself proves that the middleman was a parasite; that he has been living upon the labor of others and not upon his own producing power."

This outspoken purpose together with the steady march of coöperative business has aroused the activity of a powerful opposition. It is busy in city councils and with parliamentary leaders. It is perhaps busiest of all in the catholic church, where a virulent hostility has developed, although it is not primarily economic, but moral and religious. Many noble men among the priests agree with the economic policy of the socialists, as do many of the Christian Socialists among the protestants; but religiously and morally the catholics hold the socialist influence in abhorrence. It is believed to subvert all organized worship and to undermine the monogamic family. A mass of popular catholic literature is now spread through the country filled with quotations of socialist opinion on the church and on the family. The immediate fear of the church is that socialists are turning the workingmen into enemies to all religious authority. A catholic professor told me that this fear had a terrible justification through all the large industrial centres. To save the workingmen, the catholics have also started, both in distribution and production, scores of coöperative associations. They have opened halls, reading rooms, and lecture courses. At their congresses upon the social question, clubs of wage earners troop in under gay banners, and much of the programme has to do expressly with the material interests of labor.

Another kind of opposition has yet more interest. It is the cry of alarm raised by thousands of small traders. There is here no question of morals or religion, but of business. Their occupation as profit makers is put in such peril that a clamorous appeal goes up to the political authorities to save them from the coöperator. There has even been an International Congress at Antwerp[1] in the interests of small traders. It was under the patronage of the Chief of the Cabinet and of the Ministers of Industry and Justice. To this Congress the association of business men made their appeal. A few lines from their spokesman are worth reproducing: "It is indisputable that the *coöperatives* are bringing confusion into the field of the small traders. In the districts where the most powerful of the socialist societies are found, innumerable wagons carry bread to the home, but carry also other articles, like drugs and syrups, which are sold below the prices of other pharmacies." It is admitted in the address that prices generally are lower at the socialist counter. The appeal closes with the request that coöperators be allowed to sell only to their own members. If this is granted, "la misère du petit commerce serait moins grande." The fact that private business suffered seems nowhere to be questioned. A professor in the University of Ghent, Oscar Pyfferoen, closes a pamphlet on "The Small Business Man" with the words, "The middle classes are at the present moment being driven to the wall by the deadly blows they have received in the struggle." Powerful friends have taken up the question before

[1] A bulky report of 729 pages, *La Petite Bourgeoisie*, has been published by Schleppens in Brussels, 16 rue Treuenberg, 1900.

government. M. Gilliaux, a deputy from Brussels, asks "if the authorities are to stand idle while thousands of business men are extinguished." The socialists admit this to be their purpose, and they are moreover accomplishing it.

The president of the Federation of National Independents, Léon Théodor, began his speech in Parliament with the words, "It is time to act; small merchants and employers are menaced with destruction, if prompt and energetic remedies are not forthcoming. From an economic point of view, their disappearance would be an evil; from the point of view of the nation, a calamity."

At Ghent, a commission has been taking evidence against *coöperatives* during 1900. The charges are humorously like the bill of particulars brought in this country against the department stores. It is seen that coöperation cannot be stopped, but may it not be made harmless? Cannot *la petite bourgeoisie* be saved from destruction? The proposals made to the government are that distributive and productive societies shall not be allowed to combine, that they shall sell to no one except their own members, that they shall be prohibited from all political activities, that no one shall be hired from the outside to fill any administrative position, etc. They would have the trade unions, as such, engage in no commercial business. The greatest of objections is the intensity of competition which the *coöperative* has raised against "honest business."

As the German government has adopted a "Mittelstands Politik" to strengthen the middle class, that it may act as a buffer against socialism and be protected

against the *Grossindustrie*, so the Belgian government now votes its first subsidy to encourage counter-organization in the middle-class commerce. A second congress was held last year in Switzerland to give an international character to the whole movement.

The government has thus done what socialists long since urged. When middle-class business raised its first complaints, the socialist reply was, "Associate yourselves, if you are ground by the great industry on one side and by our *coöperatives* on the other, band together as we have done, and reap the same advantages."

This advice was jocose, as the socialists hold that these middle-class associations, as they develop, will be forced at length to affiliate more and more with the *coöperatives*. "They will be forced to do business with us on the coöperative method, and thus be educated away from the spent individualism which is now their weakness." It is also believed that middle-class organization will offer an easier field for propaganda. When the farmers began to learn the advantages of coöperation in creameries and mutual credit associations, the socialists began a new campaign to convince them that coöperative business was fraternal and democratic, and that the meaning of this was democracy in politics. The Brussels group has bought a large farm, and already counts one farmers' association as a convert.

This brief history carries with it a better explanation of socialism than any formal proposition embodied in programmes. It is better because, step by step, we see the theoretic policy moulded and determined by

its actual struggle to do business in open competition with its enemy, the capitalist employer. Steadied by these heavy, yet delicate responsibilities, the socialist politics has been so chastened by its fifteen years' experience that one of the strongest men of the party told me: "We have learned that to run the affairs of a town or of the government is immensely more difficult than any of us supposed. If we had the chance to assume government responsibility, we should refuse it, because we are not yet ready for it."

Even the more ideal expression of what they hope to bring about is now stated in different language. A noble scholar, Hector Denis, who has dedicated his life to this party, and is now socialist member from Liège, gives an invaluable statement of the changes observable in the hopes and purposes of the party. The period dominated by Robert Owen's influence, he calls that of l'altruisme idéaliste. Its disinterested devotion was heroic, but men and women were asked to respond by qualities that were not yet developed in them. The greed and jealousies, created by ages of competitive conflict, were too slightly modified to meet Owen's feverish expectations. His hope that men would work for a common capital as faithfully as for private gains, was generous but unwise.

The reaction comes with the Rochdale pioneers of 1844. The coöperative ideal remains, but the self-regarding instincts are not lost sight of. The increment of gain goes no longer to a middleman, neither does it go communistically into a general fund, but very definitely to individual purchasers. The heavy race egotism has to be long disciplined by this form of coöperation. We may still be cheered by that far-

off ideal in which "all for each and each for all" shall have, even in the processes of the world's wealth getting, a higher fulfilment.

This truce of the idealist, with the stubborn realities of human nature, appears throughout this Belgian movement in ways so significant that they furnish, I believe, the most luminous hints that modern socialism anywhere offers.

Though far younger than the German party, this Belgian contingent began by stating its economic programme, with that doctrinaire exactness which is easy where there has been no experience. There is no difficulty in writing unanimous and sounding resolutions that "the laborer shall have the whole product," that "none should work longer than eight hours," that "work by the day should replace piece work," that "the taking of interest is theft," that "all should be paid according to their needs." Such opinions were religiously held by thousands of Belgian collectivists less than twenty years ago. They are the current formulas of propaganda until they undergo the tests of practical experiment. These experiments have been made in Belgium. They have been made long enough and in such variety, that the results cannot be mistaken.

In 1898 I visited a large number of businesses carried on by workingmen socialists; bakeries, pharmacies, breweries, clothing and furniture and boot making, together with many distributive stores. I had learned from socialist statements that a few years of hard work in the drudgery of managing men and women workers, so well as to make the business succeed, had refashioned several articles of the creed. I will give

as faithfully as I can report them, the reasons that the socialist managers and members assigned for these compromises. (*a*) I had been to a private bakery to see if machinery of later and better type was there used than in the socialist bakeries. I found in this instance that the socialists had the newer and more perfect machines. I asked the manager if the men did not object to these inventions because they would displace labor. "Yes," he answered, "we had to fight that out, but it never caused us much trouble, because it was easy to show that if we own the machines, the better they are, the better it is for us." But do they not as a fact displace the men? I urged. "Yes, of course, but they make more work somewhere else which some of our men must do. Besides, we know that the more bread we can turn out with the best machinery, the better wages we can pay and the shorter hours we can give." It was, of course, never held by any sane socialists that machinery was other than good if owned by the community; but here these men, out of a very brief experience, had learned all that any economist or business man could teach them as to the reasons *why* machinery is good. They had, moreover, learned one lesson, about which the bourgeois world is still in a very muddled state; namely, that in those instances in which new machinery really displaces men at such time of life as to leave them in want, the plainest duties were left undone, until work was found or some form of insurance had brought relief. This was one of the reasons for the insurance system of the Vooruit in Ghent. They had rationally connected cause and event, building up a system of "benefits," under which some clear conception of social justice

was realized. The injured or the aged had his burden lightened by a systematized and logical plan. The family is not helped as a matter of charity, but as a conceded right.

(*b*) I next found women working ten hours and men hard by, nine hours. In my collectivist catechism, I pointed to the opinion that eight hours should be the maximum for all; that five or six would probably suffice. "Yes," he said, "we have been disappointed; we thought that we could make that rule universal, but it would not work. A great deal of our business can be managed with eight hours, and sometime we shall do all of it so; but at present, much of the simpler work would lose so heavily under eight hours that we could not carry it on. We shall push on toward shorter hours just as fast as conditions will allow." I asked if a compulsory eight-hour law would help. "No," he replied, "not for the kind of work in which we have found that nine and ten hours will produce more than eight. If France, England, and Germany could be held to eight hours in these special industries, we could stand it; but that is not yet possible. We have got to work it out ourselves and lower the time by continual tests, to see where we can do it without loss." The entire literature of the eight-hour movement has not developed one line beyond the good sense of this socialist workingman who was receiving, when I saw him, one dollar and twenty cents a day.

(*c*) Closely analogous to this, are the altered conceptions about the minimum wage and piece-work. It was fundamental that all workers in the collectivist régime should be paid the minimum wage, — a sum

below which the daily earnings should not fall. This principle still holds, but modified so ingeniously as to increase our respect for their practical intelligence. When it was found that the sewing girls in Ghent often produced so little, that the minimum wage took all the profit or even left a loss, it was decided and rigidly enforced that a minimum product should be a *condition* of the minimum wage, *i.e.* work enough should first be done before this wage principle should be applied. My first amazement at this tribute to common industrial experience gave place to admiration when the reasons appeared. "We could not," it was said, "allow a given wage in all kinds of work and with all sorts of workmen. Some will trifle, gossip, waste their own time and that of others. Some men care more for the saloon, and some girls more for flirting and prinking than for their work. We are still too imperfect to apply such a rule without modification and exceptions." Ingenuity in managing the doctrine reached its climax as he added, "Mais vous savez qu'il faut exiger un minimum de production puisqu'il y aura un minimum de besoins à satisfaire," — we must require a minimum product because they all have a minimum of wants to be satisfied. Was ever more admirable agility shown in doing effectively what had to be done, and then furnishing a theory for it? The three Massachusetts towns in which I have seen the minimum wage applied to laborers, were sorry bunglers compared to these workingmen of Ghent. One of these said to me, "I think it very likely that men will always have to do a given stint of work before they can be given any set reward." This is evidently near akin to piece-

work. Collectivists, as well as many trade unions, have long and obstinately objected to working by the piece, because it is a method by which the employer can set a too rapid pace for the whole group of laborers.

Time-work was given a thorough trial in Ghent and elsewhere. A great deal of the coöperative work can be done by those receiving day wages, but much of it cannot be so done for reasons that are as old as the history of human toil. The loafer will shirk his responsibility under a time wage. Pointing to workers of both sexes in a shoeshop, my informant said: "Many here could be paid by the day and would not shirk, but many of them have been tried, and will not earn what is paid them. That young fellow worked here for months for four francs a day; when his product was measured, I found that he had earned much less than this. He was then put on piece-work, in company with others, when it soon appeared that he was doing from a third to twice as much work, without any injury to him." These tests (with the same results) are the commonest experience throughout ordinary industry. The collectivists, once seriously at work, learn quickly what the race has learned, and learn moreover to defend their practice by the same reasons that any private manufacturer would give. The dead beat is indeed more objectionable in a *coöperative*, because all see that his sloth or shabby work hurts every member of the group. An article in *Le Peuple* gives this reason, as it urges a careful consideration of the best methods of wage payment, — s'il ne serait pas possible de perfectionner les modes de rémunération usitées dans les coöpératives.

Once familiar with these facts, it brought no sur-

prise to find in the same workshop an elastic scale of wages. Whether by the day or by the piece, the variations were as great as would be found in some private factories. In a small shop, filled with sewing girls, one small group was paid by the piece at a rate that could not have given more than two francs a day. When I asked about this, it was said, "Those shirts sell on the market as low as forty cents, so we can't pay very much." The great lesson that wages are conditioned by the amount of product and by competitive prices on the market, had been thoroughly learned. Price lists were studied in the central office, and the amount of foreign competition carefully estimated.

The impression deepened upon the visitor, that these men had learned the limitations under which practical business is done as thoroughly as those bred in the outside world. They maintain earnestly that the socialistic principle, under which the laborer is to have the total product, is in no way violated. "Our one aim is to make wages just as near the selling value of the product as possible. They can't, of course, have all they make, because of so many incidental expenses. We have interest charges, rent, and our managers to pay." He admitted that all collectivists were against interest and rent, but pleaded very sanely in excuse that they must have capital to buy machinery, horses, wagons, etc. "Men won't let us have their money without interest," he said; "we must, too, have land and buildings, and owners must be paid for these as they are paid for their capital." He told me they even borrowed money at current rates from their own members. Sometime, he added, the community will own all this machinery and capi-

tal, and then rent and interest will be at an end. Then we shall sell our products as close to cost as possible and profits, too, will disappear.

Here was the doctrinaire socialist, but in his most harmless form. He saw as well as another why interest and rent were at present necessary and must long remain so. He and his fellows had learned this in the only way in which the race ever learns anything, by exercising those industrial functions out of which interest and rent naturally arise. In their fortnightly discussions at the Maison du Peuple all these things were from time to time discussed. In no assembly does a mere theorist have so hard a time. They are doing the kind of work which furnishes all the reasons that are needed for the argument. The members that loan their own savings to the *coöperative* know why they take interest. They all know from day to day the difficulties that arise; why one set of workers can work in three shifts of eight hours each; why another set must work nine hours, and another nine and a half; why three and a half francs is as just for one man as seven francs a day for another. It is with this sure knowledge susceptible of tests in every shop that the cranks are subdued. They have the same proportion of them as society in general, and they can manage them much better.

Another fascinating subtlety in socialist discussion has been that which concerns the extra payment of ability. There is no commoner charge against the further democratized administration of business than that it would not pay for the talent requisite to success. Can common laborers ever be made to understand that the ability to organize and direct a great

business must be paid enormous salaries? Is not capacity to direct, to buy, and to sell in great quantities as rare and as precious as genius? Is not labor the beast, as Mr. Mallock assures us, and the employer the man upon his back? What horse can fitly estimate the reward due to its rider? There is doubtless much hard truth in this objection to a more democratic ordering of business, but even less doubt is there that the argument in favor of huge salaries has been a good deal overworked. I have heard one of the ablest insurance men in the country admit that it had been ridiculously overvalued in his own business. "There has been," he said, "a world of favoritism in these great salaries." Germany, Austria, New Zealand, manage different forms of insurance on a very large scale, but do not find it necessary to pay salaries that remind us in the least of many paid in the United States.

It was long said that English coöperation would fail, except within very narrow limits, because the ordinary members would never consent to pay really strong men as managers. This has proved to be one of the least of its difficulties. I once asked a man who is at the head of a business, whose transactions represent more than thirty millions of dollars a year, if managers could be found (in case of his death) at a salary of three or four thousand dollars a year. "That bugbear does not trouble us any more," he answered. "We train them within the coöperative ranks as fast as we can use them. I have five men near me now, any one of whom is as capable as I am." This illustration is necessary because the socialist answer loses its force unless the educational

scheme is kept in mind. He knows that as long as the masses are ignorant, they will set slight value on mental gifts. It is for this reason that so much prominence is given, in many of the socialist platforms, to compulsory education of a far more comprehensive character than now exists. They are incontestably right in asking that during the entire formative period of growth all children should be kept at school. Let these schools be enriched by the best that manual art and industrial training can offer, then the appreciation of ability will be assured. It is one of the reasons why the collectivist brotherhood, the world over, is so at one against the desolating waste of militarism in all its forms. It would use these thousands of millions yearly to train citizens. To the children of the poorer classes it would give an education as complete and thorough as that which the rich can command. Collectivists urge that a generation, in which every boy and girl is trained to the verge of manhood and womanhood, will know ability and value it after its qualities.

These are their hopes; meanwhile the great membership in the *coöperatives* is now learning to distinguish very sharply between the dolt and the man of gifts. I asked in Brussels, why a certain man was paid a little more than five times as much as the lowest laborer. "Because he is worth it," was the reply. "As our works enlarge, we shall have to pay still higher salaries. The great rewards of the competitive business we shall not pay, because other motives will enable us to secure first-rate capacity, just as the manager of the Vooruit gives us his best strength, but has never received twelve hundred

dollars a year. He has been asked many times to take charge of private concerns for a high salary, but he is not even tempted. He is in parliament, he has great influence, his leadership is recognized, and these things are more to him than to imitate the bourgeois. The greatest service we are doing is to educate many men just like him."

I once asked the English coöperator, Mitchell, why he gave his services as manager for so small a salary. I had been told that he had many times been offered much higher compensation. He replied: "I think I have the respect of my Rochdale coöperators. I have a good deal of power, I have great faith in the coöperative ideal, and these things satisfy me." This is the contention of the collectivist, that when business is done from a deeper sense of common interests — tous pour un et un pour tous — other than purely money motives will move strong men to work hard in business for far smaller rewards, precisely as they now so work in science, in art, in armies, and in the best of our politics.

That these Belgian workingmen so quickly learned that the rarer gifts should be more amply recompensed and could give rational grounds why this is done, indicates that further difficulties of the kind that may arise in the future will be met with the same practical wisdom.

Thus, what have been thought by individualistic critics to be the craziest notions in the collectivist programmes, are found to be tempered to moderation by some fifteen years of continuous routine work in bearing common business burdens. It has been learned that the methods of remuneration, hours of

labor, piece-work, the uses of interest and rent and extra compensation of ability, are facts to be dealt with in the same practical spirit as they are dealt with under the old wage system. When I said to a manager in Charleroi, "Except that you get rid of middlemen and thoroughly democratize your business, your actual work is done much as it is done elsewhere." — "Yes," he said, "only we make it plain that all forms of rent and undertaker's profit are like so many weights hung about the neck of labor. We are to get rid of them as fast as we can throw them off. The capitalists propose to keep them and get up all sorts of reasons to show that they are a blessing. Our method of association has already proved that thousands of profit makers are unnecessary. We prove it, because we serve the consumer better without the middlemen, and thus force him to produce things instead of living by cutting off an unnecessary profit. We mean to carry this work on until all the workers are so well educated that they can do business together, with their own machinery and capital, producing things and distributing them as nearly at cost as we can, and lowering the hours as far as we are able to." To my suggestion that this was not a very revolutionary programme, he replied, "When we talk about revolution, all we mean is evolution hurried up."

When large bodies of workingmen are educated to the point that they are willing to pit their working methods openly and fearlessly against competitive industry, asking only that the trial be a fair one, I submit that no more conservative and hopeful influence could be introduced into modern society. Not

a single coöperative centre has been made a success without disciplining the members into a spirit of caution and prudence in the application of business principles. Every added business burden will increase the care and responsibility that steadies their politics, as it steadies their industrial management. The aim of socialist politics is invariably to transform industry. But this politics will never be freed from the delirium and the dangers of unreal hopes and tipsy schemes, until it is disciplined by the weight of business duties and obligations. Political duties alone have precious lessons for the German social democracy. Belgian collectivists are learning both together. They have added to their obligations in politics the severe accountabilities of industrial management.

As the story of this hard won experience has lengthened; as it has been repeated and discussed in every detail among the workers for a dozen years, another change has taken place: the statement of principles grows painstaking and judicious. It is admitted that the great questions are more complex and difficult than had been supposed. The bumptious and cocksure tone is tempered by wholesome doubts. Big and sanguine generalizations do not pass without challenge. Within the very camp of the socialists arises a new criticism of almost every sonorous affirmation upon which the older collectivism was built. For example, the state was "to absorb all means of production." One may now hear this chaffed at by the most loyal members of the party. It is seen that innumerable lesser forms of machinery may be left to private ownership. The straight logic of collectivism would permit no woman to own her loom,

if she made upon it articles for sale. The same logic would cry thief to the petty landowner if he sent his vegetables to market. All private appropriation of land and machinery for profit-making purposes, is high crime before the severe consistencies of this theory. The small sponger may be less harmful than the great one, but he is a sponger still. The socialist humor has begun to work freely upon this subject. I have been told: "We do not wish to make the theory ridiculous by forcing it to its last consequences. We shall not disturb the small man in *la petite industrie*, whether on the land or in the little shop. It is the great industry that we attack." This position has, moreover, even in the collectivist doctrine, this justification: many of the ablest writers have held that only when the great industry has driven the small industry to the wall has the time for socialist action arrived.

With this qualification the strongest exponents of Belgian collectivism still maintain the integrity of their theory. Therefore, the plot of ground, the small shop and mill with a few helpers, may be left in private possession until they are brought to ruin by their great competitors.[1]

The most vigorous exponent of this party, M. Vandervelde, objects to Dr. Schäffle's famous definition, "the collective appropriation of all the means of production and circulation." "We do not," says this writer, "want all the means of production, but the great and leading industries." He admits that collectivism is but partial until the small employers also disappear. But mean-

[1] See "Le Socialisme en Belgique," pp. 259, 261, by Destrée et Vandervelde.

while the lesser industries are to be left free to develop as they will.

The practical consequences of this attitude are as noteworthy for this party as they are for society in general. Socialist writers before audiences and in their printed appeals will still protest solemnly and indignantly that these changes are free from inconsistencies and of slight significance. My reply to this is that the man who made these qualifications and obvious compromises a dozen years ago, was in every continental country pronounced a renegade. Long after English Fabians had settled to the humbler tasks of political and industrial opportunism, it was common to hear continental socialists speak of the Fabians as a group of bourgeois imitators that would only bring disgrace upon the cause by betraying its fundamental principles. When the Belgian *coöperatives* began to develop so far as to hold the collectivist politics in some restraint, many of the brotherhood in France classed them contemptuously with the Fabians, as "mere reformers."

Those who believed in a flawless economic dogma, and in revolutionary and heroic remedies, were right to count these reformers as enemies. From the moment the ways of practical compromise were opened, every step has led to affiliation with the ordinary methods of social improvement. The full force and significance of this show at once in the practical growth of the *coöperative*. In the country it must have capital and therefore a system of saving. The pest of the Jewish usurer is the first obstacle to overcome. One weapon against the usurer has proved so effective that no practical man can ignore it — the

Raiffeisen Bank or some form of Mutual Credit Association. Instead of the usurer's twelve to fifteen per cent, four and five per cent, on better and easier terms, may be secured. Therefore the collectivists adopt these agencies, the very purpose of which is to widen and strengthen private property *in the very forms that socialism has pronounced parasitic.* In the last statement I have received, which records the works and purposes of the party, the socialists are urged to make all possible use of Raiffeisen credit banks. There is even praise of the catholic Abbé Mellaerts who introduced them into Belgium. These banks, says the socialist deputé from Liège, "rendent de réels services" — "don't go to the great banks, but save your own money. Lend and borrow for four per cent, and win for yourselves economic independence." [1]

[1] The contrast between the sobriety of the Belgian socialism that has had fifteen years' business experience and the socialism in the neighboring French towns is full of lessons.

The red flag is a sacred symbol, and one of the most popular gayeties is to insult the national emblem — le drapeau tricolore.

Citizen Dormoy is applauded when he points to the national flag at the Congress at Montluçon and says, "Sous les plis duquel le bourgeois a commis toutes les trahisons envers la patrie."

This is the grim and bitter emphasis which is still put upon the determined apartness of the class struggle. One form which this tenacious illusion takes is the uproarious approval of the "universal strike." At every congress since that at Calais, 1890, to that at Rennes, in 1898, this tumultuous resolution is passed, "Let the world's workers lay down their tools; let the millions in every land who produce the wealth stop all toil, and the infamous parasite of capital will soon capitulate." Some talk like this is still tolerated among the Belgian collectivists, but the comrades who guide the movement have learned that it is nonsense. They have come to know first, that the workers will not unite in any such insane escapade, and second, that if they did, it would work chiefly to their own undoing.

For dramatic interest there is even a more startling recommendation. If the great Lassalle had one enemy upon whom he poured more scorn than upon any other, that man was Schultze-Delitzsch. All that was scathing and venomous in the German tongue was showered upon this founder of credit banks for town populations. They were to serve the small needs in the town as Reiffeisen met them in the country. What would this high priest of socialism have said, to find in authoritative socialist sources, a single generation after his death, a cordial recommendation of Schultze-Delitzsch's banking scheme? To Lassalle, every use that the workingman made of these credit banks "added a link to the chain that bound him." The very gospel of "self-help" for which Schultze stood is now advocated simply and directly in the catechisms for popular socialist instruction. (*Almanach des Coöperateurs Belges*, 1900.) The truth is that the *coöperatives* have done their work so well that the members see the necessity of saving, borrowing, lending, even if in forms that violate every theoretic principle of socialism. They have learned that the very principle of association, on which their whole structure must be built, gets its strength through the encouragement of private ownership, not only of "property for consumption" which the theory allows, but of property that creates personal rent and profits. Precisely that has come about which the old guard of revolutionaries predicted: "Once begin to compromise," they said, "with the reform which city, state, or bourgeois has sanctioned, and we are lost. Our glory and our strength is in fighting the existing order, not in preserving and improving it." Whether

for loss or gain, the irrevocable step has been taken. The party is once for all committed to the slower and humbler ways of industrial and political reforms sanctioned by an experience far wider than that which any socialist party can claim.

All that is best in socialism will gain by this change. It need abate no jot or tittle of its purpose to win for society every increment of gain that proves to be "unearned." The transformation that we have followed now forces it, however, to use means and methods that are educational; that furnish, as they are applied, their own tests of success or failure; that tend steadily to unite men as friends, and not to divide them as enemies.[1]

[1] The very essence of "self-help" as applied to the work of these coöperatives is seen in the following question and answer in a catechism of 1899.

D. — Que peuvent donc faire les travailleurs?

R. — Profiter de leurs moments de loisir pour s'instruire, apprendre à se diriger eux-mêmes au lieu de remettre le soin à d'autres d'agir pour eux, et enfin tâcher de comprendre et d'utiliser la force qui réside dans la Coopération, p. 17.