



CHAPTER III.

THE ARGUMENTS OF SOCIALISM.

"It is all nonsense," he says, "about those natural laws of free competition with self-regulating powers of supply and demand. Their final effect is and always has been the oppression of the many by the few, of the masses by the classes, *Co-operation, not competition is the watchword of the future.*"

Our friend then continues to show us the anarchy, as he calls it, of our present system of production and exchange of wealth, which, according to him can only be remedied by turning over all tools and means of production to the state, and having all production and exchange going on under her management.

Before condemning free competition, however, our friend ought first to have ascertained whether we really have it under our present system. Because if we have not, it would certainly not be quite fair to accuse it without having given it a fair chance, to show what it can do. The question now arises: *is there really free competition* when the land and all the forces of nature connected with it are possessed by a few, who, together with others also possess the capital, *i.e.*, those means of production which are the work of man, and when those who are asked to compete with this fortunate minority, have nothing but their hands, connected with certain hungry stomachs that urgently require filling. It is certainly an impossible task, as long as the access to nature's store-house is denied them. Free competition between such unequally matched forces! Why, you might just as well call a fight between a knight in full armour, and a naked man, without any weapon, a fair one, with nothing but equal chances on both sides!

I do not blame the working, and often starving masses, that they get disgusted with competition of this kind in which the opponent, they have to fight against, leaves them the only choice of "I win and you loose," or "you loose and I win." The arrangement is very much like that between a friend of mine and his wife, which according to his view tends to insure perfect agreement between them on all questions; "for you see," said he, "we have settled the thing between us, that in all points on which we agree, her will is law, but in all others mine."

If a fire breaks out in a crowded hall, with only one small door, free competition in the effort to get out leaves a very poor chance for the weaker ones, or those in an unfavourable position with reference to the exit. The strong hand of a good police force compelling a quiet and orderly exit would certainly produce much better results. But does this prove that the principle of free competition is wrong? Certainly not; it only proves that, in certain unnatural conditions, unnatural interference might be preferable to the natural principle of *laissez faire*, just as in a fearful struggle to escape from a crowded hall, only a favoured minority would have a chance of escaping alive without the assistance of the police. It does not at all prove that interference must always be the correct principle, and liberty the faulty one.

If our hall had had plenty of wide doors allowing everybody to get out without the least difficulty, full liberty without any interference would certainly have produced the happier results. Let us first break down the walls created by monopoly, open the doors and give free excess to the means of getting a livelihood to every one who is willing to exert himself, and if then the frightful scramble for such a chance does not cease, it will be time enough to talk about state management.

We shall see presently that competition under conditions of liberty will govern the laws of production and distribution in a much more economical way than state management ever could do, at least so long as men have not advanced towards a state of intellectual and moral perfection far beyond that at which we have arrived at present. True competition will furnish an incentive and spur to effort that we shall certainly never obtain in an equal degree under socialism.

Even to-day under the reign of monopoly, we have not anarchy, in production and exchange, in the sense used by socialists, for the most perfect management of either by itself, would not only not improve, but infinitely intensify the social misery of to-day.

Let us for a moment suppose that state management would do away with that *enormous waste* going on all round us in *production* and *exchange* of goods. Let us suppose an improved and more economical organisation in all branches of work and large central bazaars taking the place of the multitude of little shops now effecting a similar purpose. What would be the consequence? Surely a vast increase of over-production unless the state forced a considerable part of the population to remain idle, feeding it out of the national stock as paupers. But I shall give the proof of this assertion in the next chapter, when the real cause of overproduction, as we call it, will be explained. I do not want it to be understood that production and exchange managed by the socialised state would be followed by such results. On the contrary, I fully agree with John Stuart Mill that things would go on much better in that than under the present system, without reform. I only say, that the substitution of state management for free competition would by itself, without a corresponding change in the laws which govern property (such as socialism equally demands), not only not improve, but intensify prevailing evils.

Assuming, however, first, that if an improvement of these laws, as well as the destruction of monopolies erected by them, were carried out, free competition would direct the offices of production and exchange infinitely better than state management could; and secondly, that without such a change in them the most perfect management of production and exchange would only make the muddle worse—it will be clear, that it is not a deficiency in our system of production and exchange, which can be made responsible for the evils we suffer under. If therefore I succeed in establishing these two points the palaver about capitalist or anarchical production would seem to come to an end.

Anarchical production, indeed! Can socialists show me a single article of human production of which we have ever produced enough, if the real wants of the people are con-

sidered, or again a single one, of which we have not produced too much, if the demand of only solvent purchasers comes into play? But if there is not a single article to be found which is not at the same time both over and under produced, what could the best management do to improve it? Ought there to be increase or decrease of production in such and such an article, and in which? Do we produce too much cotton? Why, taking the whole of England's yearly production in all kinds of cotton goods, estimated at one hundred million pounds, by Neumann Spallart, and distributing it among the two hundred millions of Europe's poorest, whose income does not exceed £30 for each family, it would only give them 10 shillings worth a head of cotton goods, which certainly would not be an extravagant luxury.*

Supply and demand are so sensitive to the fluctuations of the market, that no government clerk could ever approach their perfection. As to the anarchy really, or apparently existing, exhibited by the waste of power in all departments of work, but especially in that of exchange, we shall see in the next chapter that this will quickly disappear with the causes which produced it, and that without the necessity of having recourse to socialism. Without a change in the laws of property, however, socialism would only make things worse even if it effected a saving in this direction, but with such a change *laissez faire* will accomplish the same object infinitely better. The proofs of this will be fully discussed in the following chapters.

To specify clearly the task reserved for these, let us now get at a clear understanding of the nature of the great problem, called the *social question*, the solution of which is here attempted.

Few people realise how completely this problem has changed in the course of centuries. If they did, we should not hear so much about the necessity of poverty, and the im-

* The yearly production of boots and shoes in Great Britain is stated to be about £16,000,000, after exports are deducted. Taking 6 shillings as an average price, which is certainly below the reality, above 23 million pairs more would be needed to supply every inhabitant with two pairs a year, and thousands of shoemakers are without work to-day.

possibility of obviating it with all the useless talk about Malthusianism and misapplied Darwinism, which usually accompanies it. Statistics showing the low average of individual income, if all the national wealth were evenly distributed; the Bible, with its misconstrued contribution "The poor ye have always with you," are also given as proofs of such assertions. Even anecdotes like that of old Rothschild given in the preface must lend their help.

There is not the least doubt that, if we take the actual stock of wealth and of production, such views are not without foundation. Even in Great Britain, the richest country in the world, £100-150 would be all that an equal distribution of incomes would give for each family. Though this would be wealth to most Englishmen, it is not enough to give full enjoyment of all the advantages our civilization could afford us. A decent living might be attained, but all the enjoyments of travel, of art, of refinements of which the rich partake must be renounced. One instance will shew us the futility of such reasoning. Want of work, the curse of our time, what does it really mean? It means some unnatural obstacle, preventing people from going to work and producing wealth. It means an enormous waste of available power in all departments of production. It means a greater waste still in the department of exchange. As far back as 1851 Stuart Mill calculated that nine-tenths of English merchants could be spared, and that the remainder could very well do all the work. Since then things have gone from bad to worse and to-day we may very well assume that one-twentieth of all merchants and shopkeepers could under a perfect organisation do the work required of them better and cheaper than the whole number at present employed. If anybody doubts this let him go into any town in England and let him count the number of shops, in each of which one or more workers, or would-be workers, are all day long anxiously waiting for customers, like spiders sitting in their webs waiting for a fly to be dispatched to them by Providence. What waste of valuable time, of rent, gas, coals, advertisements, furniture, stock, &c! Just calculate how many salesmen, a few bazaars properly organised to do the same amount of work, would require, and what savings in rent &c., could be accomplished by them!

Look at the number of wholesale houses, acting as go-betweens with all their travellers and clerks, which might be saved, if each manufacturer had his fixed customers taking all his production direct. Add to this again the saving of travellers and advertisements sent out by these manufacturers themselves, the enormous saving of working power expended by them on the commercial part of their business, that is on the work of selling their goods, which could mostly be saved, if sufficient outlets existed. Need I point out the enormous waste going on in the professions, in the liquor trade, in armies, in navies, or in the provision for paupers? Need I point out to the citizens of the greatest manufacturing country in the world what saving could be effected in production, if a greater demand so increased their sales that each manufacturer could confine himself to some speciality? If, by a better division of work, by improved organisation, not to speak of improved tools, by full employment of workers, the full productive power of the nation could be developed, does anybody doubt that at least three times as much wealth could be produced, even if our inventive power made no further progress? £300 for each family of the United Kingdom would certainly not be such a poor average to begin with, nor would it permit of such talk as may be heard from those who never give the subject real attention. If they had done so, it must have struck them how ridiculous it sounds to talk of the necessity of poverty, in the same breath in which they attribute to over-production (that is a superabundance of wealth) the cause of our misery.

Certainly we shall always have the poor with us, for there will always be poor human creatures deprived of the possibility of earning their bread, not by unnatural hindrances forcing them to idleness in the midst of a world full of chances for remunerative work, but from natural causes, such as lameness, blindness, insanity, &c. These will constitute the poor that we shall always have with us and for them there should be an adequate provision, without having to call for charity.

The time when poverty caused want, that is by a deficiency of wealth, has passed for ever. It is over-production, our advance in productive power far exceeding our actual production and our production always keeping ahead of the demands of the market, and thus keeping people out of work,

which is the real cause of our poverty. We must bear this important difference well in mind. Formerly the masses suffered, because there was hardly enough for all in any case, and if the minority took more than their share it was no wonder that the masses suffered. An increase of productive power was a sure remedy for an evil of such simple diagnosis.

At a time, in which misery comes from the increase of productive power, by means of which we can get along with fewer workers, and further, as we shall yet see, from the fact, that the favoured minority does not purchase enough of the articles produced, the solution of the great problem, the bearing of which has completely changed, has become much more complex and difficult.

The problem is no more, as it used to be: how are we to get wealth enough to feed everybody? It is now:

How is it that with increasing wealth and better facilities for work of every kind, poverty increases because work is harder to get?

And the final and fundamental question, the really great problem of the 19th century is:

What is it that prevents willing and able workers, throughout the world, from going to work and exchanging the labour products for which they have a mutual need?

It is no more a question of production, but one of distribution.

