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# THE SIGNIFICANCE OF MODERN POVERTY.

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The recent development, throughout the civilized world, of those theories, more or less vague, or those compounds, still vaguer, of Sympathies, animosities, expectations, and aspirations, which go by the name of Socialism, and which are all identical in one point at all events, in being, that is to say, a protest against the existing organization of society, and the existing institution of property—this recent development of Socialism is due to a variety of causes, but it mainly depends for its vitality not so much on theories or on facts, as on a certain simple belief, which hardly amounts to a theory, with regard to facts. The belief I refer to is the belief that civilization, as at present organized, and developing itself according to the laws which its constitution necessarily imposes on it, not only offers no hope to the groat industrial masses, but is constantly tending to make their position worse—to narrow their lives, to curtail their freedom, to lower their incomes till these reach the starvation level, and to make even this minimum of subsistence harder and more doubtful of attainment; whilst it is constantly tending, on the other hand, to increase the wealth and luxury of the very few, swelling fortunes which are overgrown already, and gradually crushing moderate fortunes out of existence.

This is the view which was formulated by Karl Marx, with regard to modern civilization generally, and with regard to England in particular, where he said that all the tendencies of this civilization were to be seen in their fullest and most fatal development. He was not the first person to hold this view or to state it: but he was probably the first person to array it in the guise of a necessary and scientific truth : and ever since his time it has occupied a foremost place in the teachings of all socialists, and forms an overture to all their formal manifeatoes. Here, for instance, we have it in the Erfurt Programme of the German Socialista in 1891: "With this growing monopoly [which is the essential characteristic of modern civilization as now organized] goes hand in hand the crushing out of existence of the shattered small industries by industries of colossal growth, the development of the tool into the machine, and a gigantic increase in the productiveness of human labor. But all the advantages of this revolution are monopolized by the capitalists and the great landowners. To the proletariat and the rapidly sinking middle classes, the small tradesmen of the town, and the peasant proprietors, it brings an increasing uncertainty of existence, increasing misery, oppression, servitude, degradation, and exploitation.

"Ever greater grows the mass of the proletariat; ever vaster the army of the unemployed, ever sharper the contrast betwen the oppressor and tho oppressed, ever fiercer that war of classes between bourgeoise and proletariat which divides

modern society into two hostile camps, and is the common characteristic of every industrial country."

If we turn from Europe to America we find precisely the same kind of statement in the writings of Mr. Henry George. He, too, usos it as the overture to his best-known work. Our existing civilization, he says in his introduction to Progress and Poverty

" simply widens the gulf between Dives and Lazarus. . , . The association of poverty with progress is the great enigma of our times. . . . All the increased wealth which modern progress brings goes but to build up great fortunes, to increase luxury, and make sharper the contrast between the House oi Have and the House of Want."

Every Socialist or semi-socialistic teacher, every reformer or agitator, who sets himself against existing institutions, takes some statement of similar purport for his text. He uses it to excite, to intoxicate, or to madden his hearers, with a view to preparing their minds for the reception and assimilation of his teachings. And he doeB so because be finds it necessary to do so. The above belief, in fact, with regard to existing civilization, does not indeed form the logical basis of Socialism, but it creates the only atmosphere in which Socialism can practically and popularly flourish.

Now as to America, in connection with this matter, I am not qualified to speak with sufficiently precise knowledge ; but as to the chief countries of Europe, and England in particular, it may be said with the utmost confidence—a confidence derived from the most authoritative and various information—that the above belief is altogether wrong, that it is not only not the truth, but an absolute inversion of the truth. In England the average fortunes of the rich are distinctly, even if not greatly, decreasing; persons with moderate fortunes, of from £150 to £1,000 a year, are increasing faster than any other class; whilst so far as concerns the increase of the individual income, the average increase has been greatest among the laboring and wage-earning masses. Mr. Giffen, for instance, the Statistical Secretary to the Board of Trade, to whom English Socialists, whenever it may suit their purpose, are accustomed to appeal as the greatest living authority, has declared that so far as " the individual income "is concerned, "it would not be far short of the mark to say that the whole of the great material improvement of the past fifty years has gone to the masses." And whatever test wo apply, the same conclusion is forced on us. The masses not only receive as a whole larger incomes, but their incomes procure them more comforts and luxuries ; they inhabit better houses, wear better clothes, they consume per head an increasing quantity of bread, meat, butter, tea, sugar, and tobacco; and, as the last census shows, the number of porsons, such as clowns, jugglers, singers, and the humbler class of actors, who minister exclusively to the amusement of the poorer classes, has increased during the past ten years by as much as 80 per cent. If the Socialistic view of the situation wore true in any particular, wo might imagine it would be true in the following—that even though the number of moderate

incomes was increasing, the number of employers and small independent tradesmen was decreasing, many small factories being merged in a few larger factories, and many small shops in a few gigantic emporiums. But even this, when the matter is examined, appears not to be the case. So far as it is possible to arrive at any conclusion, the number of manufacturing firms and retail shops in London has during the past ten years kept pace with the increase of the population, or has even grown somewhat faster ; whilst the number of separate textile factories, instead of diminishing, as Karl Marx predicted, increased from 6,807 in 1870 to 7,465 in 1855.

It is not, however, my purpose to go further into details. It is enough for my present purpose to observe that the whole Socialistic view of the existing situation is wrong—certainly so far as regards Europe, preeminently so far as regards England; and I believe I am right in saying, with regard to America also. At all events if the case of America differs in any rospect from that of England, the difference is due to some other cause than the modern system of industrialism, for that is practically the same in both these countries: and the natural tendency of that system, as is shown by England, which is its most complete example, instead of being, as the Socialists say, to make the rich ever richer, the poor ever poorer, and to crush out the middle classes, has been for the past fifty or sixty years, and is at the present moment, to make the rich more numerous indeed, but slightly poorer; to multiply the middle class far faster than the rich, and to lift the masses of the people further and further above poverty.

And now having said this by way of preface, let me proceed to the main point with which I wish, in these few pages, to deal. If the tendencies of our existing civilization are really what they have just been stated to be—if wealth instead of being merely flowing into the resorvoirs of the few, is also diffusing itself throughout the entire community ; if the gulf between the rich and the poor, instead of ever widening, as our Socialistic manifestoes say it is, is really being filled up, partly by the multiplication of the middle-class, and partly by a rise in the wages of the working-classes—how is it that a view, so diametrically opposed to the truth, should gain the ready and wide acceptance that it does ? For the Socialistic view is very far from being held by Socialists and revolutionists only. Many ardent defenders of the existing order of things are to be found who believe that the Socialists practically speak the truth, and who, as they look round them on society, are distracted almost equally by a despairing concern at the growing misery of the majority, and despairing alarm for the civilization which such misery seems to threaten and condemn. What is the explanation of this ?

The explanation is that in spite of the absolute falsehood of the Socialistic view, there are a large number of facts which make it eminently plausible, and to all the large class of persons whom we may call *economic impressionists*, seem to be

daily adding fresh proof of its truth. “In the United States,” says Mr. George, “it is clear that squalor and misery, and the vices and crimes that spring from them, everywhere increase as the village grows to the city, and the march of development brings the advantage of the improved methods of production and exchange.” The whole class of facts which I allude to is summed up in this statement—a statement which is indubitably true ; and it will apply equally well to England, or to any other country where modern industrialism has established itself. What I wish to do in the present article is first to give the facts in question the fullest and frankest recognition : and then to point out that their significance is totally misinterpreted by Mr. George and persons of similar sympathies ; and that these facts themselves are perfectly compatible with that general progress which it is the interest of the agitator, the Socialist, and the nostrum-monger to deny; and to point out finally, not that we should disregard these facts—not that we should disregard ** this squalor, misery, and vice,”—but that we should look at them from a different standpoint, and consider them in a different spirit.

Let me begin then by insisting on the simple, the obvious, yet constantly overlooked explanation of the seeming paradox that a town, a community, a nation, may as a whole be growing constantly more prosperous, and may yet contain an increasing number of squalid and miserable persons. The explanation is that wherever the modern industrial system has been introduced—in whatever country and at whatever spot labor has been massed together and put into operation by capital manipulated by intellect and ability, there has not only resulted an enormous increase in the production of wealth, but there has been also an enormous increase in the population : and thus, though the latter has not been by any means so great as the former, and though not only the actual gross product is increased, but the gross product per head of those employed in production, and though the share taken by each member of an overwhelming majority of the population may year by year be steadily increasing also, there may yet continue to exist a minority—a residuum which for some reason or other is outside this general progress ; and the absolute number of those who compose this residuum may increase, and yet the number relative to the population may be stationary, or actually diminishing.

Let us take such a case, for instance, as that mentioned by Mr. George—the case of the village growing to be the city— growing, in a very short time, as has often happened in America, from a community, say, of five hundred persons, to one of fifty thousand. Now let us suppose that in the village nineteen-twentieths of the inhabitants were well to do, and only one-twentieth were poor. That will give os a pauper class of twenty-five persons. And next let us suppose that the village ha9 grown into the city ; and that some one who remembers what the place was whon a village takes a census of its pauper class now; and * finds, as he very well might, that the paupers have now increased to a thousand. Here, then, within a

radius, let us say, of one milo, the modern industrial system has produced a thousand miserable human beings, where before there were twenty-five only— it has added to their nnmber nine hundred and seventy-five per sons ; and yet the proportion of the miserable to the prosperous was far greater formerly than it is now. In the old days there was one unfortunate human being to every twenty fortunate ones; there is now only one to fifty. The actual number of paupers has increased twenty-fold ; the proportionate amount of pauperism has decreased by more than one-half.

If we would judge of the relation in which progress stands to poverty, it is the relative amount of poverty wo must consider, and not the absolute amount. To adopt the opposite course is either madness, stupidity, thoughtlessness, or dishonesty, or a mixture of all four. That this is so we can see very easily, by turning from poverty to two other dreaded evils—disease and death. As population increases in a given area, there will be more cases of illness within that area than there were before ; but this is no proof that the inhabitants are becoming less healthy.

It is quite compatible with an improvement in health, throughout all classes. And if we consider death, the case becomes yet clearer. If there are fifty thousand people within an area of four square miles, more people will die within that area than died within it when it contained five hundred only ; and yet tho death rate may none the less be lower. If then, we would estimate the real character of modern progress, so far as it relates to the poorest and most miserable classes, what we must consider is not the actual number of the poor, but the rate of pauperism ; just as, if we would estimate the result of this progress upon health, what wo must consider is the death-rate, and not the number of deaths.

In justice, however, to those who forget this, or who reason as if they did not perceive it, let me repeat what I said just now— namely that many of these persons reason as they do, neither from madness, stupidity, nor dishonesty, but simply from thoughtlessness. Their emotions hurry them away, and do not give them time, or leave them patience, to think. And an even greater number reason thus, owing to a different, and yet allied cause— namely, ignorance. Prompted by the noblest and the most unselfish motives, they make themselves familiar with the details of the poverty round them ; and the terrible and pitiful spectacles of human suffering and helplessness which crowd upon their notice, and of which there seems to be np end, so fill their minds, so confuse their sympathies, and cast so sinister a shade over the whole social landscape, as to make them feel that here, and nowhere else, is the sure test of what modern progress is doing. Each fresh case of misery which they come across seems some fresh evidence against society as at present constituted—fresh evidence that its evil influence is increasing; and this evidence is to their minds so conclusive that it tends to leave no room in them

for any other evidence that might rebut it; and renders them contemptuous, impatient, or indignant, when the existence of such is hinted at.

Nor, to say the truth, can such a state of mind be wondered at. Owing to the diffusion of news which has helped to make much suffering public, the spread of education which has given it a voice of its own, and a sympathy with sufferers, which has been quickened amongst all classes, partly by a fuller knowledge of the condition of the sufferers, partly by the action of those complicated causes which have made the individual more sensitive than in ruder ages to personal pain and hardship, the persistence of poverty amongst great and growing wealth has naturally tended to force itself with increasing vividness on the imagination of everybody—even of the most careless ; and if it were not for the existence of dispassionate statistical information few could probably resist, and none disprove, the conclusion that the rate of pauperism and misery was actually increasing also. The fact is, in short, that if we confine ourselves to the merely philanthropic and emotional study of poverty—if we go to it with eyes dim with what silly sentimentalists delight to talk about as " the great passion of pity," the spectacle of poverty in the modern world is almost sure to produce the impression that poverty and misery are ever increasing. But this impression is neither more nor less than a gigantic optical delusion, which every wise and every conscientious man should not only fight against, instead of encouraging in himself, but should avoid communicating to any other person, just as he would, if he could, avoid communicating ophthalmia.

The reader must not for a single moment suppose that what I say is meant to discourage pity, or kindness, or the spirit of practical benevolence; or that I underrate the importance which the fact of modern poverty possesses on moral, social, religious, and political grounds alike. But I do say that, though it is possible to assign to it, on many grounds (though not on all), too great importance, it is a mistake—it is worse than a mistake—it is fatal to the best interest and hopes of the poor themselves, to give poverty an importance that for a moment overshadows or shuts our eyes to the fact—which after all is ten times more important—the-fact that if one-tenth or one-twelfth part of a growing population remains, as it does in England, half destitute in the midst of riches, nine-tenths or (as there is better reason to believe) eleven-twelfths of it are assured shares in whatever progress may be made, and are sure to be found, if we compare one ten years with another, to be enjoying conditions which are in every way improving steadily.

I say if we compare one ten years with another ; and I say this for a reason which I must mention as a supplement to what I have said already. I have pointed out that the main cause which makes the Socialistic view so plausible is the inevitable increase which has taken place in the number of the poor within given areas,

within walking distance of given spots, within the eyesight of each observer, though thero has been no increase, but a decrease, in proportion to the surrounding population. But there is another cause which also assists this delusion. This is that, though the progress of the masses as a whole has been and is continuous, it is a progress which resembles the incoming of the tide rather than the flowing of a river. It is continuous if we consider it in its general course and for extended periods; but it is varied by temporary retrogressions. Wages which during one decade may have advanced forty per cent, may at the beginning of the next decade decline twenty per cent., and several years may elapse before they rise above or even reach their former level; and the discontent and even the suffering caused by such a decline is sure to be more apparent than the satisfaction that was caused by the increase. Thus the delusion that growing poverty is a result of modern progress is produced not only by the fact that poverty still exists amongst a small minority of the population, but also by many incidents in the economic history of the majority, who are reaping the benefits of this progress in every circumstance of their lives.

And now let me return to what I was just now saying—and it is the main point on which I am here anxious to insist. In studying the tendencies of our existing industrial system, the first thing which it is necessary for us to consider is the effects for good on the vast majority of the population which demonstrably flow from this system, and are altogether peculiar to it; and not the unhappy condition of a small minority, which is merely its accidental accompaniment, and which, if wo judge of it by its relative magnitude, the existing industrial system not only does not increase, but tends gradually to diminish.

I might insist on this most important truth from the point of view of the majority. I might insist that we had no right to run the risk of upsetting a system on which the certain welfare of eleven men depends, for the sake of a doubtful chance of conferring some benefit on a twelfth man. I might point out that of all forms of social gambling such a course would be the most reckless, the most imbecile, the most desperate. But this point I here pass over entirely. I shall urge nothing from the point of view of the majority; I shall confine myself entirely to the interests of the unfortunate minority. The worst preparation possible, then, for dealing with modern poverty is to exaggerate its extent and its significance. It is quite true that if we take individual cases of want, squalor, and degradation, it may be impossible to exaggerate their tragic sadness or horror, or to feel too deeply with regard to them. But individual cases, in so far as they are related to the social question at all, and in so far as they seem to suggest the necessity for any social action, stand on quite a different footing to that on which they stand if we take them as so many individual appeals to our sympathies. Viewed in connection with society, the most serious thought which the individual case of suffering suggests to us, is not the relief of the individual sufferer, but the extent to which social

arrangements have, either positively or negatively, been the cause of his suffering, and the social action by which we may be able to reduce the number of similar cases in the future. We must, in short, view the poverty-stricken section of the community as a diseased or suffering part of a body, of which the larger part is sound and vigorous, and increasing in health and strength. With the body politic it is just as it is with the body of the individual. Acute inflammation in ono placo, or a small broken bone or a single overstrained muscle, may cause pain so acute that tho patient will imagine himself suffering in every nerve, and terrify himself by fancying that every organ is diseased ; and foolish friends will imagine that they best express their sympathy for him by repeating what he says about himself, with even greater emphasis; they will commiserate him for tortures which they really create by suggesting them, and will be anxious to treat him for diseases of which his system does not hold even a germ. In such cases the business of a doctor is plain. It is his business to be calm when the sufferer's friends are hysterical; and, instead of agitating himself over the extent of the man's sufferings, to show to him and his frieuds how limited and how local is thoir cause. He will even, most likely, show the truest kindness by a little roughness. " Fool," he may say, " there is nothing radically wrong with your stomach, your intestines, your heart, your lungs, or your liver; and if you get any quack to treat you as if there were, you will be causing the very evils from which you are clamoring to be cured. What you suffer from is a wound in your hand, your foot, or your shin-bone, and what we must do is to render this part as healthy as the rest of your body ; whereas, you and your friends would be for making the rest of your body as diseased as the suffering part."

And in precisely the same spirit will every rational reformer, whether he is statesman, philanthropist, or political economist, approach the body politic, with regard to the disease of poverty. Undeterred by appearances he will proclaim the great truth that society, as at present constituted, has none of those tendencies which Mr. George and the Socialists attribute to it. He will point out that, with the exception of a small minority, all classes are increasing in material comfort; and that the great problem, with regard to poverty, which the statesman has to solve, is not how to revolutionize our institutions in the interests of the unfortunate, but how to absorb the unfortunate into the society which the Socialists are anxious to destroy. Empirics and impressionists, like Mr. George and the Socialists, may go, if they like, into every town In Europe and America, and collect cases, in endless thousands, of misery in the midst of civilization. They easily could do so. But reasonable men should inform them that as an argument for any fundamental reform—any reform that strikes at the roots of the existing order—these countless cases are of no value at all, until they are compared with the coses ten times more numerous, which show the effects of progress on the vast majority of the race, and the diminution in the proportion of those whom the material benefits of that progress fail to reach.

Let me once more insist, with the utmost emphasis possible, that the views just set forth are in no way designed or calculated to conflict with that deop concern which suffering £scites in the hearts of the non-sufferers, and especially in the hearts of multitudes amongst the richer and the richest classes. I have said nothing that is designed, for a moment, to make light of the social problem which poverty, in the midst of progress, presents to us. The importance of poverty, from many points of view, is not lessened by the fact that poverty is proportionately decreasing, or at all events not increasing. For the importance of the number of unfortunate persons, within any given area, is, from many points of view, to be measured, just as the efficiency of an army is, not by its relation to the population, but by reference to the areas in question. Fifty thousand discontented men may be a greater danger to a million prosperous men than twenty discontented men may be to a hundred prosperous men; though in the latter case the rate of discontent is twenty per cent., and in the former it is only five. But in devising methods for meeting and obviating the danger, and in understanding its nature and its causes, it makes all the difference in the world to us whether we recognize or do not recognize the fact that the natural tendency of our existing civilization is to decrease and not increase the relative magnitude of the poorer classes, and not only to increase the proportion borne by the prosperous classes, but to add to the prosperity of each individual belonging to them.

Whenever, therefore, the agitator and the revolutionary come before us with their lamentable statistics of misery, and ask us if these do not disprove our assertion as to general progress, our answer is simple : These statistics, if reliable, prove that there is a large number of persons whom we must earnestly endeavor to help, but they do not prove that there is any existing institution which we should endeavor, for that purpose, either to revolutionize or destroy. Socialists would accentuate the accidental evils of civilization, so as to make it intolerable to as many persons as possible. The true saviors of all classes alike are those who strive, so far as may be, to remove or to soften these evils, and then to convert the enemies of the existing order into its friends, and to show even the most miserable that, in attacking it, they have this to lose—namely their main practical chance of becoming, as a class, more prosperous.