

land, where wealth has a monopoly of amusement as well as of power, complaints are made that whenever the poor happen to steal into the inclosures which are reserved for the pleasures of the rich they commit acts of wanton mischief. . . .

No doubt the wealthy English found an explanation of this rudeness in a theory of hereditary inferiority; whereas it was truly, as De Tocqueville implies, an outgrowth of caste. Where caste exists, no theories of racial or hereditary inferiority are admissible. Where caste exists, the superior caste can make no well-founded claims to knowledge of the inferior. They may know their external peculiarities, but nothing more. An inferior caste never reveals itself, its real self, to the superior. That the little white children of the south understand the little black children as well as they understand one another, we have no manner of doubt. But from the day that each discovers the impassable social barrier, from that moment their lives diverge. Thereafter each may know the other as master and slave do, as high caste and low caste do; but no longer as friend knows friend.

The annual convention of the American Economic association, which is serio-comic to the last degree of pathetic humor, closed its sessions at Detroit last week. Most of the members take themselves and one another seriously, which is part of the humor. But the seriousness of Prof. Veblen of Chicago, is open to doubt, as well in his performances in this association as in his admirable book on the leisure classes. Back of his intense seriousness there seems to be a good-natured disposition to make solemn fun of his solemn associates. It was not so, however, with Prof. Frank A. Fetter, of the Leland Stanford Junior university, who read a paper at Detroit on the same day that Prof. Veblen did. Prof. Fetter was genuinely solemn when he led his audience through the mazes of the mystification theory of political econ-

omy. It is little wonder that university students of political economy reason about the subject as if its phenomena belonged to some fourth dimension of space, when they have to work their way through such woolly-edge analyses and tanglefoot logic as professors of the Fetter type spread out before them in the name of "science." The old monkish gymnastics in mystical theology were models of good sense and sound reasoning, by comparison. It is due to Prof. Fetter to say, however, that the muddle which he gives out, he has taken on faith from other muddlers. Since "economics," the abstruse science of fortune getting by individuals, has been substituted in our universities for "political economy," the simple science of wealth getting and wealth sharing by communal aggregates—an idea somewhat roughly indicated by Adam Smith when he called his great book "The Wealth of Nations,"—one can hardly tell whether to be indignant at the fraud whereby predatory economic institutions are thus sought to be justified, or amused at the absurdity of the performance and the childish solemnity of the performers. Perhaps the better course for some purposes is the cynically good-humored one that Prof. Veblen seems to have adopted.

THE NEW CENTURY.

I.

The Monday that ended the nineteenth century and the Tuesday that began the twentieth were not separated by any natural boundary different from what has distinguished Tuesdays from Mondays since those names first came into use. Just as all Tuesdays differ from all Mondays, so and only so did last Tuesday differ from last Monday. Everybody knows this. Yet special significance is attached very generally to the meeting of these two days, because it marked the death of one century and the birth of another.

So subject are men to superstition that great phenomena are often re-

lated to that point in time, as effect to cause. It seems as if there were in some sort a closing and balancing of the books of Fate with the outgoing century, and an opening of a new set as its successor appears. We think of the old century as of something dead and gone, dying it may be in social convulsions which its own dissolution produces, and of the new one as an infant coming peacefully among us to live its life and die amid similar convulsions in regular turn. We think of it much as we thought of old years and new years, but with the circumstances immensely magnified. The French "fin de siècle" was vital with that superstition.

But it requires only the thought of a moment to comprehend that when we speak of old centuries and new, we are naming no point of change in Time's monotonous whirl, but only a point in our own arbitrary devices for measuring his movement by relating events to events. The beginning of a new century, the beginning of a new year, the beginning of a new week, the beginning of a new day, are but the passing of the midnight hour we have marked upon our clocks and calendars.

Yet there is that about the passage of time over one of our points of greater measurement which reminds us of the imperfections of so much of life as has gone before and admonishes us of the possibilities of what is to come. This is a familiar idea in connection with the passing years of individual lives. The first day of the new year is traditionally an individual locus penitentiae—a place for regrets over the past and for good resolutions for the future. Then why not make the early days of the new century a locus penitentiae for the race?

II.

Since the nineteenth century is dead, let it have the benefit as far as possible of the maxim that nothing may be said of the dead but good. But let nobody carry that rule so far as to ignore such of its faults as may be useful monitors to its successor. One may be more generous to the dead by recalling the evils they have done, if for the purpose of guarding against repetitions of such evils, than by flat-

tering their memories with indiscriminate praise.

And though the faults of the nineteenth century be recalled, this need not be for lack of opportunities to praise its record. In most directions the old century has left a legacy of progress, and to that progress in one of its phases attention may be directed here. It has been most proudly and eloquently discussed elsewhere. We refer to the progress that must ever precede and always underlie progress of every other kind—to progress in the arts that tend to diminish the difficulties of satisfying material wants.

Man's life is first of all that of the animal. His primary wants are animal wants. He must be fed and clothed and housed before his nobler qualities can develop. As his soul has material embodiment, so his soul's aspirations and growth must, while that embodiment continues, spring out of and be nurtured through material satisfactions. The plane of material progress, therefore, is to man the plane of primary consideration; and the century that progresses far upon it is one to which future generations will turn with gratitude. Such a century was the nineteenth. It was more distinctly than any other of historical times the century of material development—the century of progress in wealth production.

Only with an effort is it possible now to realize how comparatively impotent as wealth producers were our fathers who lived when the nineteenth century came in.

By wealth we mean, of course, those tangible things which human art fashions for human consumption. We do not mean money; that is a trading convenience, not an object of consumption. We do not mean bonds, nor mortgages, nor corporation stocks, nor book accounts, nor deeds to land, nor public franchises, nor any other mere evidence of title or token of power. The production of those things, also, was vastly facilitated during the nineteenth century; but they are not matters of primary consideration. What we do refer to is food and clothing and shelter, in the infinite variety of forms—from

that of the simplest utility to those that excel in convenience, luxury and beauty—which these three necessities of life assume. The ability to produce such things is so much greater to-day, both as to abundance and perfection, than a hundred years ago, that one may wonder how life at the beginning of the now departed century could have been tolerable.

Labor saving invention, consisting partly in more minute subdivision and partly in more comprehensive association of labor, has in a myriad ways enhanced the power of the human muscle and widened the field of the human brain. Whether we turn to agriculture or to mechanics, we find men now not only producing in marvelous quantities what then could be produced only in a small way, but producing also what then could not be produced at all. Attempts to enumerate the differences in productive methods and effects can hardly result in anything more interesting than a catalogue of industrial innovations. But this whole drama of progress pictures itself to the imagination when, reflecting upon the part that steam and electricity play in modern industry, we remember that at the beginning of the nineteenth century the known uses of steam were the most primitive possible, while electricity had not got beyond the stage of a curious scientific plaything. In consequence of the enormous strides of the century in productive power, it would be easily possible now, were productive energies devoted to providing necessities of life, to furnish forth food and clothing and shelter in superfluous quantity and finest quality, for every living person.

So far, then, as concerns production, the nineteenth ranks as the prodigy of the centuries. Though much in the way of productive possibilities remains still to be discovered, and much in the way of those possibilities which have been discovered is not yet realized, the progress has been truly prodigious.

III.

With reference to the sharing of products, however, there has been no progress at all. Despite its wonderful contributions to the improvement of wealth production, the nineteenth

century has contributed nothing to the improvement of wealth distribution. The products of human labor are shared more inequitably, more unrighteously, more unjustly now than they were before steam and electricity had multiplied labor power.

The abolition of slavery, one of the great events of the century, may be cited to the contrary. But the citation is inapplicable. The abolition of slavery has not improved wealth distribution. Those apologists for slavery who say that the southern field hand was better off in the slavery regime than now, are not far wrong. The field hand's share of annual wealth production is little if any greater now as an absolute quantity—and it is distinctly smaller as a proportion of product—than that of the nineteenth century slave.

Splendid philanthropy is another great fact which may be urged against the idea that the nineteenth century contributed nothing to the reform of wealth distribution. But this objection also fails. Philanthropic distribution is not just distribution. In fact, large benefactions are possible only when and where distribution is unjust. If philanthropists had to produce the wealth they give away, they would have but little to give. And if they had but little to give there would be few to need their gifts; for philanthropy and unjust wealth distribution are closely related as parts of one system. The rectification of the latter would abolish not only the possibility of the former but all occasion for it. So far, then, from testifying to progress in equitable wealth distribution, extraordinary charities indicate rather that equity in wealth distribution has receded. Nor is munificent philanthropy peculiar to the nineteenth century. The people of ancient Rome were so familiar with the ostentatious generosity of the privileged classes, and came so well to understand its malign significance, that their phrase, "bread and the circus," grew into a term of reproach. Modern philanthropy is only a modern form of "bread and the circus."

We have also seen trades unionism rise through the century from the status of criminal conspiracy to that

of a well-nigh recognized industrial institution. But to reform in wealth distribution trade unionism contributes nothing. At best it is only a class organization for defensive purposes. It does not, and in the nature of things cannot, include within its protection more than a small fraction of labor interests. Hired men alone come within its scheme. That great mass of struggling business men in a small way, many of whom work harder and get less than many union-protected hired men, are of necessity excluded from such benefits as trades unionism has to offer. It is, therefore, only as the proportion of hired laborers increases relatively to the laborers in the aggregate—in other words, only as injustice in distribution intensifies—that trades unionism becomes effective. And even within its limited sphere it is exceedingly inefficient. It can keep wages in the protected employments only slightly above the point to which jug-handle competition in the labor market depresses them. Whenever that point falls, the slightly higher point of union wages must fall also.

Cooperative societies have sprung up here and there, usually to live out a brief and fitful existence. But cooperative societies, though they may promote just distribution between their own members, and might serve as object lessons if they were ever notably successful, do not promote just distribution in general. They are essentially nothing but partnerships. And, like individuals, partnerships either benefit or suffer from unjust distribution so long as it prevails in the community at large.

Many economic reforms were agitated during the nineteenth century. Some of them have secured the public ear and made genuine progress. But even the most successful are still in the agitation stage. No reform has so far crystallized that the nineteenth century may be credited with initiating a system of just wealth distribution.

The influences that determine distribution are the same as before. The same principle of indirect taxation, for example, which commended itself to the courtiers of the eighteenth century because it enabled their royal

masters so to pluck the tax-paying geese as to get the most feathers with the least squawking, has been handed down to the twentieth century not only unimpaired but perfected in its pernicious power. In spite of the warning of Pitt that indirect taxation enables governments to take the last rag from the back and the last morsel from the mouth of the poor without their knowing what impoverishes them, nineteenth century statesmen of the American republic have held it up for the adoration of the deluded masses, who worship it now as the fetish of protectionism. Prevailing throughout the world, protection is one of the great agencies whereby the producer's share of wealth is diminished in order to enlarge that of the privileged leisure and exploiting classes. It tends not only to create those classes, but to fortify them.

Nor is that the whole indictment against the nineteenth century. With reference to land tenures, it has drifted farther away than the century preceding, from the theory that private possession of land is a privilege conditioned upon continuing obligations to the public. That was the germ of justice in the feudal system. Unjust as that system was in many ways, and crude as were its methods even in this respect, it did embody the great economic principle of social justice that possessors of land must bear the public burdens. For this beneficent principle the older allodial doctrine of absolute and irresponsible ownership has been revived and substituted. Thus the right of the people to that increment of value which attaches to land with the advance in productive power of the community as a whole, has been so placed that in the forum of the public conscience it may be the more plausibly questioned. By contributing to that consummation, the nineteenth century obstructed the way of fundamental reform in wealth distribution.

In these circumstances the wonderful productive advances for which mankind is indebted to the nineteenth century have done nothing to benefit those people whose labor is essential to all production. The worthy poor are still with us, though

productive power is great enough to abolish all poverty. And the poverty of the worthy poor is the more appalling for the piles of heaped up wealth in the midst of which poverty festers.

We do not mean by this that those who work do not share in products which even the wealthy could not enjoy when the nineteenth century was young. He must be very poor indeed, who to-day cannot possess, for illustration, that luxury of the rich of a hundred years ago—a watch. What we do mean is that relatively to the greater product which their labor yields, all workers are worse off in point of wealth at the opening of this new century than at the opening of the last. We mean, furthermore, that there is now a large and growing class whose members are often not only relatively but absolutely poorer in point of wealth than were the poorest, outside the jail or almshouse, a century ago. There was then no great unemployed class, no class constituting a never dwindling army of men vainly seeking opportunities to work. But today, so large and hopeless is that army; so constant, though its units are always changing; and so pertinacious are its efforts to shove its own desperate members into the places of the men who have employment which most of them hold by a fragile tenure—so extreme are these conditions that no other possible calamity haunts the average man like the ever-present danger of losing his job.

Splendid, then, as is the legacy of productive progress to which we acknowledge indebtedness to the nineteenth century, its legacy of unjust distributive processes imposes a heavy burden of moral responsibility upon the new century into which we have entered.

IV.

By indirect taxation the producer is made to bear the heavy end of public expenditures. Upon indirect taxation a predatory system of so-called protection, nominally for the producer but in the last analysis for the owners of land of peculiar qualities, such, for instance, as ore mines, has been built up. Underlying all, a system of land tenure has been perfected which gives to land owners through advancing land values the pecuniary

benefits of improved productive processes. This in turn has so encouraged speculation in land that for every square foot that is well used hundreds of thousands of square feet, held snugly in private ownership, are either only slightly used or not used at all, though every idle man is indirectly a bidder for the privilege of using them to the full.

Thus not only is distribution made unjust, but the fundamental cause of that injustice produces a condition which checks the application of increased productive power. The use of machinery and the production of machinery, the erection of buildings, the bringing together of industrial forces in the improved modes with which the inventive genius of the nineteenth century has made us familiar, and the production thereby of abundant wealth for all, are discouraged by land monopoly. Productive power, however marvelous, is impotent without appropriate land; and land made abnormally difficult of access or expensive to use is in that degree, for the purposes of production, equivalent to land destroyed.

By such means has the nineteenth century passed down to the twentieth the problem of poverty. Not of poverty where the poor are the idle and useless. Not of poverty where productive power is weak. But of poverty in the midst of wealth, and when wealth producing processes are suggestive of omnipotent possibilities. Of poverty where the workers and not the idlers, the useful and not the useless, are the poor. Of poverty under circumstances which to all observers distinguish poor men as members of the working class. Of poverty which not only pinches and degrades the victims who fall into its grip, but with distracting fears harasses millions upon millions of those whom it threatens with its visitations.

Upon the threshold of this new century, is the hope too optimistic, the prophecy too rash, that when the century closes it will have contributed to succeeding centuries as much of justice to the processes of distribution as the nineteenth contributed of potency to the processes of wealth production?

NEWS

The beginning of the twentieth century was with but little formality celebrated throughout the world. Most marked of all the celebrations was that of the Red Cross society, which received messages from people of prominence in various departments of nineteenth century life; the emperor of Germany, however, refusing to respond because he had celebrated the beginning of the new century at the opening of the year 1900. The Young Men's Christian associations of the United States and Canada listened to an address by the vice president-elect of the United States, Theodore Roosevelt. He delivered it in person at Carnegie hall, New York city, on the 30th. It was read simultaneously at the other association gatherings—some 1,500 in all. Steps were taken at New York for the inauguration of "a Gospel campaign." In the same city at a dinner in Arlington hall a meeting of 400 reformers of various shades, from Bishop Potter to John Swinton, saw the old century out and the new one in. Ernest Crosby presided and Edwin Markham read an original poem. In the city hall square 100,000 people were massed to see a display of fireworks and hear the bands play; and from Trinity steeple a musical programme was rung out by the bells. In Chicago, as in New York, the more formal celebrations were supplemented at midnight with voluntary discords upon fish horns in the streets, and an occasional succession of pistol shots. Public meetings and church exercises were held all over the land. Similar demonstrations were made in Europe, and in Australia the birth of the new commonwealth was celebrated with great display.

We mentioned last week (page 601) the appointment of W. J. Lyne as first prime minister of the Australian commonwealth. But now it appears that either a false report was cabled to this country or that Mr. Lyne must have declined the appointment. The prime minister who has formed a cabinet is Edmund Barton, an eminent protectionist. He will have charge of the department of foreign affairs. His associate ministers are Alfred Deakin, attorney general; W. J. Lyne, home office; Sir George Turner, treasurer;

Sir John Forrest, postmaster general, and John Dickson, minister of defense. The inauguration of the new government took place, as noted above, at the opening of the new century. The earl of Hopetoun was then sworn in at Sydney, New South Wales, as governor general of the federal commonwealth. Preceding the administration of his oath of office a message to him from the British colonial secretary was read, as follows:

The queen commands me to express through you to the people of Australia her majesty's heartfelt interest in the inauguration of the commonwealth and her earnest wish that under divine providence it may insure increased prosperity and well-being to her loyal and beloved subjects in Australia.

And after the oath had been administered the governor general read the following message from the British ministry:

Her majesty's government sends cordial greeting to the commonwealth of Australia. They welcome her to her place among the nations united under her majesty's sovereignty, and confidently anticipate for the new federation a future of ever-increasing prosperity and influence. They recognize in the long desired consummation of the hopes of patriotic Australians a further step in the direction of permanent unity of the British empire, and they are satisfied that the wider powers and responsibilities henceforth secured to Australia will give a fresh opportunity for a display of that generous loyalty and devotion to the throne of the empire which has characterized the action in the past of its several states.

The ceremonial display attending the inauguration exceeded in grandeur any ever before exhibited in Australia.

Display of a different kind celebrated the close of the old century at Peking, where the allied powers caused the execution on the 31st of a Chinese soldier charged with the assassination of the German minister, Von Ketteler. This soldier had been stationed by his superior officers at a point on a street with orders to shoot any foreigner who tried to pass. In obedience to these orders, he killed the German minister. It is admitted by the present German minister at Peking, that no European soldier in a European country would have been punished for a similar act. But, at the instance of the European powers, this man was on the 31st behead-