

Advocates of regulative laws for holding monopolies within bounds, must have experienced some degree of surprise when they learned that the rebate practices of railroads, supposed to have been completely suppressed, have been resumed in a new and baffling way. The fact has but recently transpired. It came out definitely at a hearing in Chicago before the Inter-State Commerce Commission. The trick is a new one. Large shippers build little railroads, mere switches, for the transportation of their own goods from their own factories to the railway line that serves them, and then receive, as cooperating railroads, a share of the freight charges on their goods, from factory to destination. As much as 20 per cent. of the entire freight charge is paid by railways to these little switch roads. Of course the arrangement is a mere cover for giving rebates to favored shippers. If the railway line agrees to a rebate for any factory, the switch connection is made and the rebate paid in the form of a division of receipts between cooperating roads. If the railway does not agree to give rebates to a competing concern, the switch connection is not made, and the competitor is forced to the wall by freight discrimination. The lesson of it all is that monopolies cannot be regulated. Their lawyers can drive a vestibuled train through all the restrictive laws that human wit can devise. The only way to reach them is at the source of their power—the legal privilege, whatever it may be, that makes them monopolies.

Extreme solicitude is manifested by the Chicago judge, Adams, (who writes the opinion of the Appellate Court in the injunction case coming before it from Judge Holdom's decision in a labor "picketing" case), lest labor unions may become monopolies. It is well for judges to be sensitive to monopoly tendencies, but it is unpleasantly significant when they appear to be peculiarly sensitive to the labor union monopoly, the weakest kind

of all, and a defensive kind at that. If Judge Adams is right in one part of his opinion, his court has planted itself against labor strikes whether peaceable or not. For he says:

Appellants' counsel admit the purpose of the strike was to bring about execution of certain labor contracts. It is unlawful to compel one to execute any contract. A contract executed under duress is voidable, and duress is present where a party is constrained to agree to or perform the act sought to be avoided.

From that it follows that if workmen strike or threaten to strike, no matter how peaceful their conduct, and to avoid the strike their employer agrees to terms, his agreement cannot be enforced against him. They could not even collect an increase of wages raised by means of the "duress" of a peaceable strike, if the legal principle of duress applies to strikes. It is not too much to say that a judge who makes such a ruling—who holds that an agreement with an employer secured through the "duress" of a peaceable strike, is a voidable agreement—would be more appropriately employed as the acknowledged attorney of Mr. Parry's employers' union than as a public servant on the judicial bench. If he is sincere in his opinion, which is to be presumed, his judicial temperament must have been de-judicialized by plutocratic association. With this tendency becoming common in courts, it is high time that counter influences be brought to bear; and the labor organizations of Chicago are consequently fully justified in raising a labor union issue over the proposed reelection of Holdom, the judge whose "government by injunction" decision Judge Adams sustains, and who has become conspicuous as an anti-labor judge.

THE SOCIALIST PARTY PLATFORM.

I

When the "Chicago anarchists," so-called, were arrested, charged with conspiracy to murder the police with a bomb, the late James Redpath, then editor of the

North American Review, a man of wide and varied experience, chiefly as a journalist, also a man of broad sympathies and radical inclinations, predicted that the prisoners would be hanged, not for murder, but for writing artless English. "I could write the substance of everything they have written," he said, "and no one would think of prosecuting me for inciting murder; but they have written so artlessly that suspicion falls upon them instantly, and they will be convicted although they are probably as innocent of the murder as you or I."

Whether Mr. Redpath was right or not, he certainly may have been right, for there is even as much difference as he implied, with reference to the effect of the manner of stating things. This commonplace fact is strikingly illustrated by a comparison of the Socialist party's platform adopted at Chicago a few days ago (p. 89), with the platform of the same party adopted at Indianapolis three years ago.

The platform of three years ago emphasized what socialists call the "the class struggle," and it wholly ignored American ideals and traditions in its pronounced internationalism. It was written withal in a style and spirit well calculated to intensify every prejudice against socialism and really to attract none but "scientific" socialists of the most uncompromising type. And although it made some concessions to opportunist socialists by formulating a collection of "immediate demands," it did this so grudgingly as to repel all believers in them except thorough-going Socialist-party socialists.

Quite different is the platform of 1904. While it does not discard the "class struggle" idea, which it could hardly do without ceasing to be socialistic; and while it retains internationalism, as a great many besides socialists would have it do; yet, it lays its emphasis more discreetly than its predecessor did, and it presents its claims in a manner better calculated to attract the average American voter.

Its literary style is cordially inviting; its "immediate demands" are adopted rather in the spirit of fraternally offering a helping

hand than of tossing pennies to vagabond beggars; and through it all there runs a refreshing allusion to moral righteousness. This platform is endowed with the life of the time and the country. It differs from the other as a sympathetic man of flesh and blood differs from an articulated skeleton of papier mache, or, to recur to Redpath's remark, as skillful differs from artless writing.

II

It is necessary, however, to pass by the superficially attractive parts of the platform, and get down to its bones. As the platform seeks votes, it properly appeals to sentiment; but as it embodies a public policy its sentiment must be laid aside and its doctrines be uncovered. So we may disregard references in the platform to the "liberty and self-government in which this nation was born," to the reactionary tendencies that seem to prevail in our politics, to the sanctity of private property, to the importance of individualistic ideals and the democratization of society, to "moral harmony," to "right" and "power" as cause and effect, and to the "rightful" inheritance of the working class. Important as are these references for party purposes and as indicating a tendency away from the unmoral philosophy of "scientific" socialism, they are only verbal wrappings when the philosophy of the movement is under consideration. For purposes of such consideration the enwrapped ideas must be extracted.

These are five, and they do not differ essentially from the ideas of the discarded platform. They may be briefly enumerated as follows: (1) The possessing class oppresses the producing class by controlling all the sources of social revenue; (2) this condition being world-wide, the struggle between the possessing class and the producing class is also world-wide; (3) the class struggle springs out of the private ownership of the means of employment, of the tools of production; (4) it is irreconcilable; (5) the socialist programme (not a theory but the interpretation of the inevitable) contemplates that the tools of production shall be owned and administered in common.

III

The first thing that should impress an analytical student of this platform is its indefiniteness in the use of the term "class." Interpret the word as meaning interests, and the assertion of an irreconcilable conflict is correct. Interpret it as meaning persons, and the same assertion is mistaken.

It is certainly true that there are such things as interests in incomes unearned by the recipients. Slaveholders had these interests, landowners have them, and if socialists wish to add that machinery owners also have them, we shall not at this point raise denial. What we now assert is simply this, that all monopolists have interests in incomes that are not earned by the recipients.

If all monopolists were monopolists only, it would make no difference whether we used "class" in the sense of interests or of persons. For in that case monopoly interests and monopoly classes, on the one hand, and non-monopoly interests and non-monopoly classes, on the other, would coincide. In these circumstances we could speak interchangeably of a slave-owning "class" and of slavery "interests," of the land-owning "class" and of landed "interests," or, if you please, of the machinery-owning "class" and of machinery "interests." Both terms would in each instance refer with exactness to the same thing.

But that is not the case in fact. All monopolists are not monopolists merely. Most of them are also workers regularly performing productive and useful service. Neither are all workers only workers. Many of them have interests to some extent in monopolies.

Such being the true state of social affairs, it confuses thought to speak of these conflicting interests in terms of personal classes.

The interests are indeed conflicting, but the persons who profit by them do not fall into distinct personal classes—impoverished earners in one class and possessing idlers in the other. The Socialist party platform, therefore, is fundamentally in error when it alludes to the irreconcilable conflict of interests—monopoly interests versus producing interests—as a conflict between classes of persons. If there-

by obscures the natural line of demarcation between earnings and tribute, and refers the solution of the labor problem to the power of mere might regardless of every principle of right and every consideration of fairness.

IV

Similar confusion of thought appears in that part of the platform which attributes the class struggle to private ownership of the means of employment. It is as follows:

This class struggle is due to the private ownership of the means of employment, or the tools of production. Whenever and wherever man owned his own land and tools, and by them produced only the things which he used, economic independence was possible. But production, or the making of goods, has long ceased to be individual. The labor of scores, or even thousands, enters into almost every article produced. Production is now social or collective. Practically everything is made or done by many men—sometimes separated by seas or continents—working together for the same end.

Here the fundamental confusion lies in the inference that production has ceased to be individual and become "social or collective." The facts cited in support of this conclusion do not sustain it; for the change in production to what the platform calls "social or collective" is a change in degree only. It is not a change in essential character.

If present modes of production are "social and collective," as the platform asserts, production has always been "social and collective." If it ever was individual, as the platform concedes when it asserts a change, then it is individual still.

The mere fact that the labor of scores, or even thousands, enters into almost every article produced does not change production from individual to "social or collective." It is not more true now than aforesaid that "practically everything is made or done by many men sometimes separated by seas or continents, working together for the same end." This quotation from the platform is only a statement of the phenomenon long known to political economy as "division of labor." From the time that division of labor began—and one can hardly think of

a time so remote as when its advantages were not availed of, nor a people so primitive as to have neglected it,—“practically everything has been made and done by many men.” Farming, seafaring, mining, herding, building, merchandising, and so on, are very ancient specializations.

What this platform really describes is not a change from individual to collective production. It is an intensification (consequent upon greater and more extensive trade freedom) of division of labor. More individuals than formerly do now contribute to the production of most articles, perhaps of all; and cooperation through division of labor is therefore more minute and comprehensive. But the work is not more truly “social or collective” in the sense intended, which is that of being done by industrial society as a collectivity or unit.

Yet the assumption that work has become “social or collective” is necessary to justify the demand for collective ownership and administration of artificial tools. That demand cannot be set up fairly without making an assumption that those tools are produced collectively. And socialists believe, just as this platform states, that they are so produced.

But in fact, though “practically everything is made or done by many,” no one thing is made or done by all producers. Nothing is made by the collectivity. Each thing is made by groups of specialists. If, then, there is any virtue at all in doctrines of moral right or fairness, each member of each group owns, with the others, an undivided interest in the thing his group produces, until he trades it for what others produce, and then he owns that. The principle of individual production persists notwithstanding specialization of labor and regardless of its intensity.

Dropping the question of individual production and ownership, however, still one cannot fairly regard a labor product as belonging to the whole collectivity, merely because many men help to make it, not even if a just distribution were impossible (which it is not) between its individual makers. It

would at any rate belong to the producing group as against the rest of society.

And this would be so notwithstanding that men of different times as well as those of different places unite in its production; notwithstanding, that is to say, that we of this generation are largely indebted to the inventiveness of men of former generations for the potency of our productive powers. It is still the respective groups, and not the industrial collectivity, that bring forth and therefore fairly own each labor product.

Even upon the supposition that the collectivity justly inherits the products of the dead, it would inherit but little. What one generation gets from another in actual products is not very much. Its great inheritance is accumulations of knowledge. But knowledge is intangible and can be utilized only by individual acquisition.

The collectivity does not perpetuate accumulations of knowledge. Individuals do that by laboriously acquiring what they respectively need and then laboriously acquiring personal skill in its utilization. This double acquisition is not a social or collective but an individual function. The collectivity may or may not best maintain some of the means for transmitting knowledge, but the process of acquiring it is as individual as eating.

It is through mistaking for societal phenomena greater specialization in division of labor and wider and freer extensions in the domain of trade, that the Socialist platform reaches its conclusion that production has changed from individual to “social or collective.” Closer analysis and clearer thought would show that it is social in no other sense than is the lifting of a log by two men which one cannot move, or as the making of tents by a St. Paul with cloth other men had woven, or the catching of fish by a St. Peter with nets other men had knotted and boats other men had built. The difference is in extent and in intensity, not in character.

But without this confusion, socialism would lose its distinctiveness. To concede that production is not “social or collective” in an all-inclusive societal sense, would necessitate the abandon-

ment of the socialist contention that the artificial tools as well as the natural opportunities of industry should be socialized in ownership and administration. For, artificial tools, from least to greatest, are products; and if production is essentially individual, in contradistinction to societal, then all artificial tools are individual products. It is only by assuming that production is a societal process that the ownership of artificial tools can with fairness be assigned to society.

This assumption is not made for the purpose of forcing the conclusion. It is made in good faith, no doubt. Like the assumption—from the fact of an irreconcilable conflict of two classes of interests—that there is an irreconcilable conflict of personal classes, it results from a confusion of ideas.

V

It is upon such conclusions that the demands of the Socialist platform rest and by them that it must be interpreted.

The demand that all those things upon which “the people in common depend shall by the people in common be owned and administered,” is intended to include labor products as well as natural opportunities. But the platform is mistaken in assuming that the people depend upon those products in common in any other sense than that men who buy their dinners depend for them upon other workers, from farmer to cook and waiter, whom they pay when they settle their restaurant bills; and it is unsound economically and politically in demanding public ownership and administration of occupations that do not necessarily rest upon grants of legal power.

When this platform demands that the tools of employment shall belong to their “creators and users,” it is guilty of an incongruity. That tools should belong to their creators is a sensible proposition, but why to their users? To use a tool can not generate a moral property right in it. And as to ownership by the creators, no paternal government is necessary for that. Every artificial thing now produced in this country belongs to its creator, to the extent of

his creation, until he sells his share in it. That he is generally forced to sell his share in advance and for less than it is worth is true. That is because he is under some subtle coercion which puts him at a disadvantage relatively to the buyer. But private ownership of tools is not what coerces. It is private ownership of legal power over natural opportunities to produce tools. The ownership of machinery is in truth not essentially monopolistic. It is made so only by some arbitrary exercise of legal power, such as patents which forbid its duplication, or taxation and land monopoly which interfere with its production and use.

To demand, as the platform does, that "the making of goods for profit shall come to an end," is to deny one of the most natural of rights—the right to trade one's products without obstruction, upon terms mutually agreeable to buyer and seller. "Profit" is another vague term covering a multitude of loose thoughts. It includes both earned and unearned incomes. Many a worker gets his earnings in the name and form of "profits."

And how shall we interpret the demand that "all opportunities shall be open and equal to all men?" It does not mean this literally. That would be absurd beyond characterization. What it doubtless does mean is that not only natural opportunities for production but also certain artificial opportunities for production—business establishments with their machinery—shall be open and equal to all. But what justification is there for drawing the line of opportunity to use at a particular class of artificial implements? To draw it between the natural and the artificial is to distinguish a logical and natural difference; but the line that this platform draws distinguishes no such difference. It draws the line arbitrarily; and if it may do that so as to treat produced machinery as collective property, it may as well do it so as to treat all products as collective property. If society may rightfully appropriate some kinds of products it may rightfully appropriate every kind, and so put an end to all individual ownership of individual earnings.

Nor would the platform be deemed from these weaknesses by its miscellaneous minor demands, even if minor demands could redeem fundamental faults. Although it calls for public ownership of "the means of transportation, communication and exchange," it does not distinguish between such of these as are dependent upon grants of legal power and such as are not; and while it demands taxes on "land values," it does so in a manner that shows that the builders of the platform hadn't the faintest conception of the economic influence of such taxes nor of the vital importance of associating them with exemptions to production and trade. For the purpose of strengthening the Socialist vote all these demands may be advantageous. Some of them are good in themselves, and if the party could possibly succeed in the election—or come within telegraphic distance of succeeding,—they might make its pledge regarding them of value to voters. But none of them modify the faults of the essential parts of the platform. They only tend to confirm the conclusion that it proposes a policy thoughtlessly at variance with economic laws of production and distribution, and in equally thoughtless disregard of the moral law of mine, thine and ours.

EDITORIAL CORRESPONDENCE.

INDIA.

Anchor Line, S. S. Circassia, Red Sea, March 10, 1904.—What is the secret of a few office-holders controlling the destinies of 300,000,000 Indians? is a question that will never down. While some attribute it to the centralization of government, some to internal native revolution directed by the English, some to the peculiar introspective, retrogressive Hindu mind, some to the conflicting fanatical opinions as to the nature of God fomented and continually fanned into vigorous action by a people whose dominant religious tenet is "love"—while all these views undoubtedly represent some of the causes, I feel that far too little significance is attached to the land tenure systems of the country.

This failure of outsiders to find in the land tenure systems the cause of tolerance of an alien master may be due to the facts, first, that no general system prevails; secondly, that the systems are exceedingly complicated and

involved, and, thirdly, that attention is rarely bestowed thereon by tourists or even by British residents. The latter fact may again be explained by the temporary residence of all Englishmen in India, but perhaps more particularly by the fact that, generally speaking, India has not been thrown open to the rapacity and greed of land speculators. The dealing in land is not exalted to the high business standard it has attained in Europe and America; and the comparative absence of this species of power of levying tribute on the Indian people by exacting a yearly payment for the use of God's gifts, compels the enlistment of the brain and energies of the white man in real and competitive fields of industry.

I do not mean to say that the Englishman does not look for and get special privileges, opportunities or franchises; but I do mean to say that he does not secure such extensive rights in land in India as are encouraged at home. I speak, of course, generally. India is really a continent, as much so as Europe. There is a greater variety of dress, of language, of customs and of religion in the former than the latter. However, before the advent of the English the landlord system was hardly known. In the year 1765 the ruler of every state in India was the superior landlord of every acre of land. There was but one landlord, and he the ruler under whatever name. There was but one rent, and that went to him; but one occupant, and that the tenant; but one tenure, and that so long as he paid his rent to the government. The ruler received about 50 per cent. of the net product, or eight per cent. of the gross product, at first in kind, but later in money. And this is generally speaking the ruling rate to-day. Even under the laws of Manu, at the commencement of the Christian era the share of the ruler was one-sixth of the gross product. No other tax was necessary, and none other is known to have existed.

But in the year 1793 Lord Cornwallis, reared and educated in England, where the right of private property in land had for over 150 years been most exalted, for various reasons established the same species of "property" in the province of Bengal. The assigned reason for this departure was to save the government much trouble in the collection of its rents, and also more particularly to create a class of people, who, by receiving governmental grants whereby they might live without working (and others might work without living), would be more loyal to the government, and render it more stable.

In that year, 1793, he recognized the right and title of certain claimants called zemindars, who were mere official rent collectors theretofore. The land rental was fixed in perpetuity, never to be increased or diminished. The cultivator still gets the same produce,