

RAILWAYS AND THEIR EMPLOYEES,

BY OSSIAN D. ASHLEY

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RAILWAYS AND THEIR  
EMPLOYEES.



# RAILWAYS AND THEIR EMPLOYEES

BY

OSSIAN D. ASHLEY

PRESIDENT OF THE WABASH RAILROAD CO.

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CHICAGO

THE RAILWAY AGE AND NORTHWESTERN RAILROADER

1895

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## INTRODUCTORY.

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The series of papers which compose this little volume were published originally in "The Railway Age." The first chapter entitled "Railway Companies and Their Employees" was written as one of a series of articles contributed by railway officials, at the request of the "Age," without any intention on the part of the writer of continuing the subject. At the suggestion of the Editor, a second and third chapter followed, and the writer became interested in the progress of coöperative work, which he found had been far more successful than he had supposed. The gratifying results of these experiments seemed important enough to call for the publication of details which are not generally known. Hence the writer continued his investigations. This led naturally to an examination of "Socialism" and to a consideration of coöperation as a practical method of harmonizing the interests of employers and employed. Written, as these chapters have been, at intervals of a month or six weeks, the continuity of thought has been somewhat broken and the writer may have been led into repetitions which might have been avoided, had it been his

purpose to write a book at the outset. It would be difficult to rectify these imperfections now, without reconstructing the whole, and this explanation will, perhaps, furnish a sufficient excuse for such defects in the volume.

The author claims no originality for this work, but believes he has presented the matter in a more tangible shape for the consideration of those who take an interest in the subject. Coöperation in its various forms is, in the opinion of many who have studied the alleged grievances of "Socialism," the only effective and practical remedy available.

O. D. ASHLEY.

NEW YORK, August, 1895.

# RAILWAYS AND THEIR EMPLOYEES.

## CHAPTER I.

### COÖPERATIVE EXPERIMENTS.

In questions of social economy which treat of the relations of capital and labor and of employers and employees, the most attractive theory perhaps is that which contemplates some method of coöperation between the two interests which will admit of a more equal distribution of the profits of labor which capital concentrates, directs and utilizes. Intelligent humanity looks upon the unequal distribution of wealth, which gives to half of the human race ease and comfort while the other half lives only by incessant toil or suffers in poverty, as an evil which should be corrected by any just process. Any movement therefore which supports this general proposition of improving the condition of the working classes by introducing methods of enabling labor to participate more actively and more liberally in the net profits of its production or of the result of its employment, meets with widespread sympathy and encouragement. Unhappily this beneficent policy, which is the legitimate outcome of liberty and popular government, has brought to the surface a large number of hot-headed and nar-

row-minded zealots who aspire to leadership, and whose baneful counsels have done much to retard the growth of practical measures to promote the great object in view.

In the grand scheme of elevating humanity to universal brotherhood, peaceful agencies and lawful methods must prevail, or the movement will degenerate into a disgraceful contest which must utterly fail to accomplish its purpose. Men who are heartily in favor of a gradual and healthy change in the condition of the working classes will never submit to dictation nor be ruled by the tyranny of a mob, and even if by force of numbers they should be temporarily overcome, the triumph would be barren of advantages to the victors and of short duration. The principles of popular government hold sacred the equality of rights in man, and whatever may be his condition, he can claim and is entitled to equal protection to life and property. These principles are fundamental and indispensable in the structure of this republic, standing like massive columns to support the beautiful temple of freedom. If these principles are invaded the social compact is broken, and the government will be in danger of destruction.

Philanthropic schemes which depend upon the voluntary aid of the people for their success are not to be forced through at the point of the bayonet nor by the unjust and oppressive acts of a numerical majority. The very sentiment which promotes them is cultivated and developed by teaching the doctrine of good will toward men, which finds its great exponent in the founder of Christianity. When therefore we

seek to create something like a revolution in the social status upon the theory of reciprocal advantages—a theory which calls for concession from one part of the community to carry out plans for the benefit of the other—it is an education which we are undertaking. This requires time, and the progress must necessarily be gradual; but this is the only way by which the change can be effected, and so long as improvement is being made in the right direction, it should be satisfactory to its advocates and to those who are to be beneficiaries under the new policy.

Many attempts have been made both in Europe and in this country to introduce the coöperative principle, sometimes in the establishment of stores to supply workingmen at a small advance on the cost of goods—just enough to pay operating expenses—and sometimes in the combination of operatives as proprietors in manufactories, these latter giving to the workmen not only regular wages, but a share in any profits which may be realized. These crude efforts have not been successful enough, except upon a small scale, to command the approval and support of the working classes, partly in consequence of unskillful methods and partly because the full responsibility of those who participate in profit-sharing can never be enforced. The workmen who enter into such combinations have but one object in view, namely: that of increasing the amount of their own compensation. If they can buy supplies for the household at a lower price than at other establishments they are glad to trade at coöperative stores, but if they find that such stores cannot compete with the gigantic concerns of

the Bon Marché order, which have been rapidly multiplying in the large cities, the coöperative stores will be and have been deserted, to become complete failures. And if manufacturing on the profit-sharing plan pays no dividends, or if in bad years losses instead of profits burden the enterprise, they are not only dissatisfied, but naturally quite unwilling to contribute either from their savings or in reduced wages to recruit the financial strength wasted by the concern in dull times and falling markets. In short, the working classes, while perfectly willing to accept possible profits, are in no condition to take possible risks or to pay possible losses. Hence profit-sharing as an experiment has not been as yet a success, nor is it likely to be until the radical difficulties just outlined have been overcome.

But while the result of these experiments has not been equal to the expectations of the projectors, it does not follow that the underlying principle of co-operation is a failure. It simply proves that it has not been applied in a practical way. It proves conclusively that mental and physical labor must be combined in conducting business undertakings, and that where the one strives to act independently of the other it must fail from sheer inability to compete with the combined forces of both. To illustrate this point clearly, let us suppose the organization of a manufacturing company upon the coöperative plan, the workmen possessing the requisite skill in the manual labor department proposing to unite in the purchase of the necessary plant and in providing sufficient working capital to conduct the concern, and thus becom-



ing proprietors in order to share in the profits of the enterprise over and above the wages they receive. It will be found, doubtless, at the start, that in order to stand any chance of success they must secure the services of a competent and experienced manager to conduct all departments of business not included in the process of manufacturing, such as the purchase of raw materials, the sale of the manufactured articles, and the financial arrangement. This calls for a high order of talent, which can only be secured by the payment of a large salary, and it implies also the employment of skilled accountants and trustworthy agents outside of the manufactory. If this view is adopted the working force concedes at once the necessity of enlisting the assistance of something beyond mechanical skill, and complete independence cannot be claimed. If, on the other hand, the conclusion is that the necessary talent to manage matters outside of the mechanical department can be found among the operatives themselves, they must take from the skill which is important in the working department to provide the talent required in the management, and at great risk to the enterprise. In the latter case the chances of success are very slight, and in either case they are unfavorable in a competition with well equipped and well managed establishments. It is practicable to build an ocean steamship and to equip it with a good crew, but the officers to navigate the ship and the engineers to work its machinery are indispensable, and unless they are provided the ship is not in a condition to brave the perils of the sea.

It seems obvious that in order to prosecute any im-

portant enterprise successfully it is absolutely necessary to unite business talent and experience to mechanical skill ; the experiments prove it, and common sense confirms this conclusion. In order to promote the end in view there must be not only a general and hearty assent to the proposition to elevate the working classes in the social scale and to give them a better chance of profit in successful undertakings, but there must be an equivalent secured from the working classes in faithful and continuous service to compensate for benefits yielded. Antagonism between capital and labor or between business capacity and mechanical skill will always be fatal to the desired improvement. The proposition is to elevate the industrial classes so far as this can be accomplished by the adoption of just and voluntary measures, but under no circumstances or condition to drag other classes down. Instead then of banding themselves together in hostile attitudes and seeking to force concessions on the part of employers, without regard to their ability to grant the terms demanded, it would appear to be much more reasonable to offer a quid pro quo in more valuable service to the performance of which they should be invited.

To illustrate this proposition, let us take railway service and consider suggestions in the line of improvement which might be mutually beneficial to the proprietary interest and its employees.

The magnitude of this system of transportation, the great number of its employees and the variety of their occupations, all point to this interest as exceptionally conditioned for the trial of experiments based upon

the idea of coöperation between employers and employed. The direct employees of a railway company constitute a body of men of more than average intelligence, embracing mechanical engineers and firemen, conductors and trainmen, signal men, telegraph operators, switchmen and section men, together with skilled workmen in the shops; and others in the operating department, besides a large number of clerks in the auditor's office, commercial agents, ticket agents and others, forming an army of operators organized and disciplined in their several departments with scrupulous care and working with undeviating regularity. The nature of the service calls for intelligence, courage and skill, especially from those who have charge of the movement of trains, whether as engineers, conductors, train dispatchers or signal men, and as a rule they are well paid, as men should be who are worthy of being entrusted with the safety of trains which carry more than one and a half millions of passengers daily. And although accidents will happen, even when great care is exercised, sometimes coming in succession, as if an epidemic of disaster prevailed, it is yet creditable to railway management in this country that so many millions are carried such vast distances day and night with so small a percentage of loss of life. In time, when railways arrive at greater physical perfection, this percentage will be still further reduced, but this desirable condition can not be secured until railway companies receive more liberal treatment from the people. Taken as they are, however, they can be made to illustrate the plan contemplated in this paper, and as it is claimed that its adoption would add great-

ly to the efficiency of the service and lead to economy in operating expenses, three parties would be gainers by its practical success—the people, the operatives and the railway companies.

The first step in this ideal railway management is to proclaim a policy of promotion from the ranks of the employees of the company according to ability and meritorious service. It should be understood that in all cases when vacancies occur in positions, such as the heads of departments or their assistants, men in the employ of the company will always have the preference in new appointments. Generally it will be found that men well qualified to fill any of the higher grades of service have been gradually acquiring the requisite knowledge for more important and more responsible duties, and as it is in practice and experience in an operating department with which they are familiar that this knowledge has been gained, it is all the more trustworthy. Occasionally it may happen that positions calling for unusual capacity and skill cannot be filled satisfactorily from existing materials in the operating department, and in such cases an outside selection must be made; but a very large portion of the offices can be filled from those in charge of the road unless the operating force had been badly selected in the first place. The result of such a policy wherever it has been tried is gratifying enough to justify the confidence of railway managers in its beneficial influence. It awakens ambition in the men, inspires them with hope and stimulates them to an honorable competition. Men who feel that good work is appreciated and that they have a fair chance of rising in their

occupations to higher grades in the service and to larger compensation will work with much greater zeal, energy and heart.

The next step in the administration of our ideal railway is to establish a well-constructed system of life insurance and pensions. To carry this into effect requires the accumulation of sufficient capital at the start to become at least partly operative, but it is an all important policy in the scheme of improvement. Life insurance is now in force on the lines of the Pennsylvania company, and perhaps to a limited extent on other lines ; but to answer the purposes of the scheme outlined in this paper it should be conducted upon entirely different principles from those which govern ordinary life insurance and should embrace accidents and pensions within its provisions. The fund itself should be entirely provided by yearly contributions from the earnings of the railway, because the company should regulate the distribution in such a way as to offer strong inducements to employees to secure the benefits of the fund by long and faithful service and to make them feel that their true interests will be served by adhering loyally and steadfastly to the corporation which guarantees under such conditions a substantial reward. As the railway company would thus reserve a fund which could be made more and more liberal to its beneficiaries as it grew in amount, it would be perfectly just and quite essential to the success of the scheme to graduate the gratuity in case of death to length of service and character of employment, and in case of pensions, according to the character of the accident or the cause of disability or

the nature of the claim for pension; and as mutual obligations would be contracted between the parties when employees entered service, both the payment of pensions and life insurance money being voluntary on the part of the company, it would be proper to require strict fulfillment of the conditions stipulated at the outset by the company in order to establish an equitable claim upon the fund. One of the indispensable conditions as to payment of specific sums to the family of the deceased employee should be a certain length of service, suggestively fixed at five years, in order to entitle employees to the benefit of the fund, and an increase in the amount for every additional five years until a certain maximum should be attained. Suppose, by the way of illustration, that the railway company begins with a contribution of \$50,000 or \$100,000 in 1893 and is able to add to the fund yearly, so that in 1898 it would with interest accretions in the one case amount to about \$300,000 and in the other \$600,000; this would in either case constitute a solid and trustworthy capital upon which to commence operations. Then it might be provided that the sum of \$1,000 should be paid to the family of any deceased employee who had performed faithful service during that period. At the end of ten years it might be increased to \$2,000, at the end of fifteen years to \$3,000, and so on until the maximum should be reached. In regard to pensions in cases of accident and disability, a different arrangement would probably be necessary according to the circumstances which must govern in such cases; but there would be no difficulty in making mutually satisfactory stipulations.

It is not intended in this paper to prescribe details. These would necessarily require careful consideration; but the outlines here given will convey to the reader a tolerably correct idea of the propositions.

Hospital service is already in practical operation on many of the western lines, with excellent results, and this would be of course continued in the administration of the ideal railway under consideration.

Other measures in the same direction as those already sketched will readily occur to thoughtful men who take an interest in the subject, but it would be a mistake to undertake more than would appear practicable in the experimental stages of a plan of improvement as to the merits of which many may be skeptical. It would be desirable perhaps to assist employees in locating permanent homes upon the lines of the road, but this project would involve the use of additional funds, and should not be considered until the other experiments have been thoroughly tried.

The strength of the argument which supports the measures outlined in this paper lies in the principle of reciprocity. This calls for faithful and continuous service in return for fair treatment and liberal prospective advantages. It says to the employee: Our obligations are mutual; perform your part well and the company will recognize and reward such service. We consider your interests and those of the proprietors identical, in many respects, and if by superior and continuous service you will aid in producing satisfactory results, we believe you are entitled to the benefits which your good work assist in securing.

If the theory upon which the suggested improvement rests is well founded it will unite the working forces of a railway in an earnest and hearty support of its administration. It will call forth the best qualities of the men, stimulate zeal and activity, induce greater watchfulness and care and render the entire body of employees more efficient, more loyal and more steadfast. Men under such conditions are, in a comparative sense, working for themselves and their families and would consequently be stimulated to the highest exertions of which they may be capable.

Railway service thus organized ought to be the best and therefore the most economical of any in the world. Antagonism between a corporation and its employees would disappear and strikes would become impossible.

Such are the advantages which the ideal railway management advocated by this paper is intended to secure. It calls for no concession on either side which will not be fully returned with interest, and at the same time it embraces a scheme of improving the condition of the working classes in harmony with justice.

There is but one thing which renders this scheme impracticable at the present time, and that is in the well known fact that railway companies, to a large extent, are poverty stricken by the low rates which they are now obliged to accept for the transportation of freight. This is the great, overwhelming obstacle to railway progress. It limits their improvement in physical condition and renders them powerless to assist in any plans for the benefit of their employees



which call for the expenditure of capital, no matter how desirable they may be. It is possible that a few companies in the east could initiate movements of the character indicated, but the great majority of railway lines west and south will be utterly unable to undertake such measures until they can secure a fair compensation for the services they render.

Is it not lamentable, is it not almost a national misfortune, that great public works should be thus prevented from undertaking measures to benefit their employees and from making improvements in the physical condition of their properties commensurate with the rapid development of the business of the country?

Is there no remedy for such an unfortunate state of things? Or must we conclude that nearly a million of men in the employ of our railway companies must abandon the hope of such incalculable advantages as would be secured to them by the adoption of the mutual benefit scheme sketched in this article? If any method can be devised to stop rate-cutting by railway lines and a moderate advance can be established in freight tariffs, the remedy will be at hand, but so long as the railways are engaged in mutual throat-cutting competition, and so long as legislation in Congress and in the states seeks to oppress and cripple railway companies by stringent laws which serve no useful purpose and take from railway managers the power of correcting the evils of excessive competition, there can be no substantial improvement in the situation. The railway companies are partly responsible for this deplorable state of things in declining or neglecting

to act together ; but the people through their representatives in Congress and in State legislatures must be held accountable for laws which not only inflict a great wrong upon owners of railway property but which effectually stop any movement for the benefit of a very large and meritorious body of workingmen.

It may be urged in opposition to the suggestions in this paper that railway companies will never unite upon a scheme which calls for a contribution from their profits to better the condition of their employees, but, if the theory is correct upon which the propositions are based, no concerted action is necessary. The experiment of a single railway company will settle the question definitely. The contention here is that a railway operated under the conditions stated will so far excel all others in the superiority of its work and in the economy of its operation that every line in the United States will be forced to adopt the same methods, to protect their own interests. The difference in favor of service performed by men who are working for themselves and that of men who go through a daily routine in a perfunctory way, taking no interest in the enterprise which employs them beyond the regular receipt of their wages, is well known. It is the operation of a natural law which governs humanity ; a trait of selfishness it may be in one sense, but in another a proper and generous instinct which prompts men to protect and cherish the beings who are most dear to them and largely dependent upon them. At all events experience teaches us that man works best when he works for himself, and it is a fair and reason-

able conclusion that a railway operated by men whose heads and hearts are bound to it, not only by self-interest but by a loyal sentiment which the generous consideration of the employing company toward its employees must inspire, will show much better and more economical work. The naked proposition to a railway company to pay out \$50,000 or \$100,000 annually for the benefit of its employees, who are liberally paid already, would meet with instant rejection, but if it is a plan for increasing the efficiency of railway service as well as to provide a just recompense for such service, the question presents itself in an entirely different light. The experiment once thoroughly and successfully tried would draw every railway company in the country into similar arrangements by the attraction of its superior service, its economy and its generally progressive features.

Taking a calm and impartial view of the drift of popular opinion, estimating at their real value the fallacious and sometimes atrocious theories and doctrines advocated by extreme socialists, should we not consider seriously the question of meeting these social problems intelligently and practically? Inhabitants of a country where popular government reigns, wherein man is born free and equal to become as unequal as he can, should we not try to demonstrate that man by strict observance of the fundamental principles of our republican institutions can, by his own exertions, acquire the highest positions and the highest honors, and thus holding out generous encouragement to the industrious and the deserving and doing all we can to start men in the race of life, handi-

capped only by the deficiencies of nature, shall we not uproot and destroy the poisonous weeds which so-called anarchists, nihilists and communists are constantly planting in a soil to which they are not indigenous?

If the image of liberty holds her torch on high in the harbor of our principal seaport to enlighten the world, will it not be a graceful and exemplary tribute to all that is good and true in modern ideas of social progress to direct its luminous rays upon schemes which contemplate the elevation of the human race and especially upon those which seek to alleviate the hardships of the sons of toil?

## CHAPTER II.

### THE EVIL RESULTS OF STRIKES.

Nearly eighteen months since the writer, in view of the obvious impracticability of all the socialistic schemes which had come under his observation, and still believing that humanity might derive some benefit from the voluntary adoption of measures which might work favorably in removing, or at least in mitigating, the bitterness of the alleged antagonism between capital and labor, ventured to outline a plan applicable in the first instance to railway companies and their employees, which, grounded upon mutual obligations and reciprocal advantages, might open the way to harmonious and friendly relations between employers and employed.

Since that time two extraordinary strikes have occurred. One, during the months of May and June among the miners of bituminous coal, extending through five or six states, and one of recent occurrence among the employees of railway lines concentrating in Chicago, and extending over several states, even to the Pacific coast. It would be useless here to give details which are fresh in the memory of every one, but it will not be superfluous to touch upon the character, the bearing and the result of these remarkable outbreaks. The coal strike originated in Pennsylvania near Pittsburgh, a locality which has been

prolific in labor troubles and strikes, and here, it is understood, a grievance existed in the question of wages, the merits of which it is unnecessary to discuss. It is mentioned only to trace the origin of a movement which rapidly extended to other states, following the line of the coal fields through Ohio, Indiana, Illinois and Missouri, in which states no grievance has or had been alleged. Thus a disputed question of wages originating in Pennsylvania was carried "sympathetically" through great fields of labor in the coal district of the states named, a distance of perhaps a thousand miles, and covering a vast area of industry in which not a complaint had been made. Of course this extensive movement could have been successful only by a thorough organization, and this is openly admitted and defended by the leaders in charge. In order to force a settlement of a local dispute, the plan carried into effect was to organize sympathetic strikes in every mining district within reach, so that by paralyzing the industries of an extensive and populous area, a pressure might be brought to bear upon the employers in the Pennsylvania district, and a settlement in favor of the claims of the miners in that locality be thus compelled. That is to say, other people and other localities were to be made to suffer because the Pennsylvania employers would not yield to the demands of their miners.

Still more strange and extraordinary appears the railway strike which prevailed during the first two weeks of July. A question of wages having arisen between the Pullman Car Company and its employees, an organization called the "American Railway Un-

ion," of recent origin and growth, interfered and ordered all railway companies using Pullman cars to cease using them under penalty of being themselves tied up by strikes on the part of their operating forces. No attention being paid to such an absurd order, it was followed by a mandate to all employees on railways to boycott these cars and to leave the service of companies using them. The consequence was an almost total cessation of traffic in some cases, and its serious interruption in others, much to the astonishment of the public and the indignation of the railway companies. Here again the "high-pressure" principle appears to have been called into action, perhaps upon the theory of curing a local disorder by spreading it in all directions, that healthy people might realize its destructive effects, and thus be moved to influence or to compel those who resisted demands which they had a perfect right to resist, to yield to unjust and tyrannical dictation.

In the coal strikes, because mine operators in Pennsylvania refused to pay the wages demanded by the miners in that locality, the works in other and distant localities were summarily closed, either by voluntary action or by the intimidation of bodies of the strikers, who gathered in mobs wherever there was any disposition to continue work. "We will not work ourselves nor permit others to work, until we carry our point," was the proclaimed policy of the strikers. In the railway strike, the same method crippled the operation of the roads and terrorized the men. But this was not all. Whenever new men were obtained to work the mines or to run the trains, the malcontent

strikers gathered in force, maltreated the new men, disabled the engines, ditched the trains, and persisted in a course of obstruction and destruction as utterly lawless as any ever pursued by mobs of ruffians. What were the results? First, a loss of traffic to the railways extending through May, June and part of July ; second, a loss to the many industrial works which were obliged to close for want of fuel ; third, a loss to the railways and the people in the advanced price of coal ; and fourth, a loss to the strikers of their wages during the strikes. A computation of these losses would give an aggregate of several millions of dollars largely suffered by people who had no more relation to the original disputants than they had to the contestants at Cripple Creek in Colorado.

Who have profited by these strikes? Not the strikers, for in the case of the coal miners they have simply gone back to work at the same wages against which they struck ; not the railway employees, for they have lost good positions ; and, in both cases, miners and railway men have lost their wages during the strike. Not the railway companies, for they have lost heavily in suspended traffic and the higher cost of fuel, and certainly not the people, who have had their industries stopped and the price of their fuel advanced. We can find but one class of men who may possibly have made a profit out of the coal strike, and these are dealers who had large stocks of coal on hand at the beginning of the trouble and who were enabled to sell at large profits when the supply was checked. It does not follow that these men were privy to the coal



strike or that they encouraged it, but it shows a simplicity on the part of the striking miners which seems almost incredible.

What advantage has been gained by the engineers, firemen and others who so meanly deserted their trains without an hour's notice to the employing companies, thus leaving passengers to suffer great inconvenience and perhaps loss, to say nothing of delays detrimental to health. They simply turned themselves out of excellent situations where they were well paid, to seek for positions elsewhere during a period of dullness when the competition for desirable places is unusually sharp and the number of unemployed unusually large. What folly!

It is astonishing that men of any intelligence could have been led into such foolish acts, not only as they now appear to us, but as they appeared to everyone at the outset, except to the deluded and cheated strikers themselves. Still more astonishing does it appear that an organization like the American Railway Union coming into existence, so far as we know, but little more than a year since, could obtain such control and wield such influence over men in the employ of railways who were already members of compact, well organized and respectable brotherhoods, such as the Brotherhoods of Locomotive Engineers and Firemen, both of which have been conducted with so much intelligence and skill as to win the respect of employers and of people generally. If any grievance had been formulated and if these brotherhoods had given countenance to the strike, it would still have been unwise, even reckless, but would not have caused

so much surprise. In this case, however, these brotherhoods actually discouraged the strike and Mr. Arthur of the Locomotive Engineers, is reported to have predicted its failure. At all events these practical and well managed organizations would have nothing to do with a strike which, from its sheer folly, had failure written on its face, commanded no popular sympathy, and was fundamentally unjust as well as impracticable. The fact remains that this "Union" of mushroom growth, acquired within about a twelve-months sufficient control over individual members of the two brotherhoods named to tie up practically, 15,000 or 20,000 miles of railway for a fortnight. Never before in the history of organized labor have such causeless strikes been thrust upon the community, and never were failures more complete. The lesson has been severe, but its effects will be salutary. It has taught the anarchistic element in this community that mob law can not prevail here, and that all claims made upon employers by the employed, or vice versa, must be founded upon justice to have any chance of success.

At this point it is pertinent to notice the error into which foreign critics, and especially our English friends, have been led in reading the graphic accounts of these convulsions sent by correspondents and press dispatches. The outbreaks were sudden and the coal strike especially, was skillfully organized and boldly executed. The railway scheme was even more desperate, but lacked the compact strength of the Coal Union, and both were a surprise to employers in their suddenness and extent. It was a novel feature to

make the grievance of a local interest in Pennsylvania an excuse for stopping work at every coal mine on railway lines in the middle western states, and it was still more startling and embarrassing to find organized bands of the striking miners moving from state to state and from mine to mine, in order to force men to abandon work which they were quite willing to continue. The full extent of these outrages was not realized until these same bands of desperadoes undertook to stop all trains carrying coal, assaulting trainmen and ditching cars to carry out this purpose. Something like this railway strike we had had before, but in both these recent strikes the interference with train movement was carried to extremities never before equalled, especially on lines which centered in Chicago. The very singular character of the railway strike, too, in attempting to force railway companies to "boycott" Pullman cars, because the Pullman company refused to arbitrate a question which, in its nature, admitted of no arbitration, or in undertaking to compel railway companies to take part in a question which did not concern them, seemed so absurd upon its face that neither the railways nor the public looked upon the matter seriously, until the plans of the American Railway Union were more fully developed. Hence, at the start, a degree of confusion and alarm which would not have prevailed under ordinary circumstances. The absurdity and evident impracticability of such a strike threw employers off their guard and serious protective measures were not adopted until the mischief had made considerable progress.

It was at this stage that the cable flashed the alarm notes across the Atlantic, and it is not surprising that conclusions unfavorable to the stability and permanence of popular government were suggested to thoughtful men, and doubtless similar reflections have been forced upon some men of intelligence here. But there is one quality in this people which foreigners are slow in comprehending, and which we are apt to forget even here, and that is an intense patriotism and love of law and order which often seems dormant in exciting times, but which has never yet failed to assert itself at the contact of real danger.

This peculiarity was strikingly illustrated in New York city at the beginning of the civil war in 1861. The city had many southern sympathizers and secession talk was quite common, even finding expression in several of the daily papers, and in the public acts and letters of the mayor. It was even discussed in Boston whether eastern troops were safe from attack in New York streets, after the sixth Massachusetts regiment had been assaulted by a mob in Baltimore. Suddenly news came that the Charleston, South Carolina, confederates had opened fire upon Fort Sumter. The effect was astonishing. The whole city poured its throngs into the streets and into Union Square where the compact masses were addressed by half a dozen orators from different stands, and a tremendous outburst of patriotism carried everything before it with the force of a torrent. The next day every suspected newspaper office in the city received a visit from portions of the same crowd and was forced to hang out the American flag at once. From that day

to the end of the war there was never again a question of the patriotism of New York. In that case there was some excuse for a difference of opinion, and there were many southerners and relatives of southerners resident here, but that day ended all secession talk even in the mayor.

The sentiment in favor of law and order in this country and the disposition to support its government is overwhelmingly in the majority, even in states where populist governors have found temporary seats. It is in fact so overpoweringly in control in numbers, intelligence, respectability, wealth and influence, that opposition could muster but a mere handful at any serious emergency. Populists and demagogues always make the most noise like bass drums in a military band, but like the drums they are hollow. And so with the mob element, it is noisy and clamorous, and is always led by thieves and outcasts who turn up for the occasion, coming out of their holes whenever an opportunity offers, but always sneaking back to their retreats whenever the armed forces of the law are put in motion. It is safe to assert that the leaders in the coal strike were almost entirely foreigners, and in the attack upon railway property that element was also conspicuous, aided by the thieves and roughs of Chicago. There was not a period in either strike when law and order might not have been enforced within three days in every state in the Union, if the authorities had met the emergency with the proper forces which were under their control. But hesitation and dallying with such dangerous elements only encourages lawlessness, and bloodshed is sometimes the con-

sequence when it could have been easily prevented by energetic action. The moment that president Cleveland issued his proclamation and ordered United States troops to Chicago the strike was practically over.

It is particularly gratifying at this point to call in evidence of the underlying and dominating sentiment of patriotism which now controls the country in all its parts the trumpet tones of Senator Gordon of Georgia who served gallantly in the confederate army in the the contest between the north and the south. No uncertain words find place in that noble speech. He is ready to fight for the flag of his country against any foe, internal or external. Equally significant, timely and brave were the indignant and scornful words sent by Senator Davis of Minnesota, to his silly correspondent in Duluth. The whole country thrilled with delight at these spontaneous patriotic utterances from the northern and southern extremes of the country. Add to these evidences the immediate and universal words of approval of the president's course from almost the entire press of the country, and there should remain no doubt of the true status of popular government in the United States.

The same impression doubtless prevails in regard to the foothold and progress in this country of the doctrines of socialism and of its fungus growth of anarchism, but it is distinctly erroneous for somewhat analogous reasons. The doctrines of pure socialism, so far as they contemplate the improvement and elevation of suffering humanity in the social scale, may find some sympathy with the friends of popular government. Schemes to advance the condition of the

laboring classes, founded upon just considerations of the inequality which exists between the toiling masses and the wealthy, find a ready response and much encouragement, not only with the laboring classes, but with the well-to-do-middling class, with the educated and among the wealthy. In other words, there is a profound sympathy among the best citizens of all classes with the hardships and sufferings of those who constitute the lower stratum of society, whether placed in that category by the accident of birth or by misfortune. These last appear rather as claimants for philanthropic aid and appeals in their behalf are seldom made in vain.

While, however, schemes for improving the conditions of the industrious and deserving meet with popular approval in a general way, the ideas which govern the feeling are practical and always subordinate to justice, law and order. Whatever can, should be done to lighten the burdens of labor by providing educational advantages, opening the paths of competition equally to all, adding to compensation when meritorious and faithful work deserves it and placing within the reach of the earnest, active and energetic, however humble in station, fame, honor and competence. Anything which seeks to overthrow the social compact, whether by schemes of confiscation and distribution of property or of vesting all property and all control in government, any and all schemes of this character meet with no encouragement except from extreme socialists and cranks, and the teachings and doctrines of anarchists meet with universal scorn and detestation. Anarchy has no standing whatever with the great body

of the people, and its advocates are looked upon with horror. Whenever the people of this country are fairly aroused to action in consequence of crime and outrage they will make short work of the anarchists. This craze has no real foothold in this country. It is a pestilent plant of foreign growth which will never take deep root here. But while we know that anarchy will be extirpated here, its influence upon socialists of the mild type is greatly to be deplored. The people might meet the latter half way in any reasonable project to harmonize capital and labor, feeling that a good understanding between the two is vital to the success of any method of improvement; but there will never be any real progress in this country toward the object in view so long as the schemes propose coercion or so long as class is arrayed against class. Projects for the improvement of the social condition of the human race, founded upon force, can never be successful here or elsewhere, because the proposition is equivalent to one which contemplates the practical slavery of one class to benefit another. Every lover of liberty will always be ready to risk his life if necessary to preserve and perpetuate to his descendants the precious boon acquired by our fathers at the cost of so much suffering and bloodshed. All plans not in harmony with our republican institutions and our sacred rights are visionary and contain within themselves the seeds of their own destruction.

Thoroughly convinced of this, and yet feeling that so far as the faithful carrying out of mutual obligations in life can aid in giving equality of condition or in the acquisition of such equality, it is incumbent



upon all men to aid in facilitating movements which may lead to the desired end by peaceful and just processes. But the fundamental idea which must govern such movements, in order to stand any chance of success, must be the recognition of reciprocal duties, reciprocal responsibilities and mutuality of interests. Æsop's fable of the wagoner, who appealed to Jupiter to extricate the wheels of his wagon from the mud, applies exactly to the case. In order to be helped put your own shoulders to the wheel first. And thus the employed, to acquire greater advantages in life, must themselves aid in the work first, in order to deserve the sympathy and assistance of the employers. This is not to be done by antagonizing capital and labor, employers and employed, but by harmonizing them and making the process of improvement mutually advantageous. As a matter of fact the interests of the two factors of industry are identical. It follows as a necessary conclusion that the present attitude of the labor interest toward capital or the employing interest is diametrically opposed to a peaceful and practical solution of the problem involved. If the interests are truly identical, it is obvious that hostility or injury to the employer cannot benefit the employed and it is equally obvious that the success of the employer must be a condition of success for the employed.

Upon these lines the propositions or rather the suggestions of the writer were founded in the previous chapter upon this subject. The controlling idea is to introduce voluntary systems of coöperative service, upon the theory of mutual obligations. Compliance

on the part of employees with the conditions outlined in that paper would, in the case of railway operation, secure to them advantages of great value, while, according to the theory of the writer, the adoption of such a plan would bring to the employing agency compensating advantages of equal value and remove all antagonism between two of the great factors of civilization and progress. No legislation is necessary to accomplish the purpose. Legislation implies compulsion and an essential condition of success is to introduce considerate measures, whenever practicable, voluntarily. It is needless to urge the obvious inability of employers to adopt such plans while suffering under losses which render them powerless to undertake progressive movements; but in all such schemes of improvement time is needed to digest and consider the propositions and even though we move slowly we are gaining ground if people give the matter calm and deliberate thought.

To review the outlined plan of the first chapter and to which this refers, would occupy too much space at this time, and the writer proposes to continue the subject in another chapter, in which the application of the controlling principle, not only to railways, but to other industries and in other ways, may also be briefly touched upon. No more conclusive evidence of erroneous methods and shallow reasoning is needed than that furnished by the recent strikes. It would seem to be an opportune moment to give these grave problems the benefit of a little plain common sense.

## CHAPTER III.

### MUTUALITY OF INTERESTS.

It is often beneficial, and sometimes instructive, to submit tentative propositions to popular criticism. In this way errors in the construction of a scheme may be suggested which will clear the way to a better understanding of its aims and purposes. Thus my first paper on "Railway companies and their employees," which appeared in *THE RAILWAY AGE*, more than a year since, has drawn out comments and suggestions which render a further discussion of the subject essential to its intelligent consideration. A large share of these criticisms were favorable, but here and there doubts as to the sincerity of the propositions have been expressed, and sometimes with unpleasant frankness. Recognizing the utility of popular investigation and fully appreciating the value of the views of practical men, it has appeared to me desirable to reinforce the propositions of my first article by additional arguments and explanations which may make the scheme appear more acceptable, both to employers and employed.

A social question confronts the civilized world; a question which involves the adjustment of the relations between labor and capital, and it presents itself more conspicuously and in a more formidable shape than ever before.

In Europe it is a more threatening factor of disturbance than in this country, and in that part of the continent where monarchical governments are the most absolute, the struggle is likely to be attended by tumult and bloodshed, which, under popular government, can be avoided. This conclusion is based upon the idea that underlying this question between labor and capital in Europe and adding to its strength and virulence, runs the current of protest against the political as well as social inequality of the people. And thus, that portion of Europe which adheres to even a qualified absolutism in its form of government is the hotbed and nursery of the extremists who lead most offensively in the ranks of socialism under the names of anarchists, nihilists and communists. The solution of this great problem in Europe, it is needless to discuss here; the end is not within sight of the present generation, and even if we conclude that governments by the people will eventually prevail, human foresight can not fix the period of its accomplishment. This view of the status of socialism in Europe, as compared with its growth and existence in the United States, will not, perhaps, be shared by Europeans who look upon the surface of popular movements in this country and think they detect in them a condition of society dangerous to the stability of republican government; but this conclusion is not accepted by those who have carefully studied the subject on the spot, for reasons given in my last paper.

The true solution of the social problem, under consideration in this paper, is to be found, I think, in a coöperation between employers and employed, which

implies mutual obligations and reciprocal advantages. There can be no valid objection on the part of employers to propositions which contemplate extending to employees a fair share of the profits of any enterprise in the prosecution of which they are mutually engaged; but it is an indispensable condition of such an arrangement, that employees should in return either share in the risks and losses of employers, or that by faithful and continuous service the employed should fairly earn any advantages which may be conceded to them. Generally speaking, working men are not so situated as to be able to share in the losses of manufacturing, trade or transportation, and, therefore, their responsibility in schemes which offer them greater advantages must be limited to meritorious service. To the extent which in this way they can add to the prosperity of any enterprise, the managers of the enterprise can afford to advance their interests, but so long as the relations between the two factors in industrial development, the employers and employees, are not harmonious, but occasionally antagonistic; so long as the important fact of mutual interest and dependence is ignored on both sides, it is useless to urge the principle of coöperation. The vital element in coöperative movements is in the amalgamation of the entire working forces of an enterprise, whether mental or physical, so that every part of its machinery will contribute to the general good, and so that the interest of one is the interest of all. When it is considered that employees, on the one hand, must depend largely upon the prosperity of the employers, and on the other that the success of an industrial enterprise must, to

a great extent, depend upon the intelligence, ability and faithful services of the employees, there should be no serious difficulty in securing the requisite harmony of the parts.

To give a practical illustration of this idea, let us take the case of the employer, supposed to be a manufacturer, who says:

“If I can secure greater intelligence, greater industry and greater skill, I can utilize these valuable services so as to add to the superiority of my fabrics and economize in their cost, and thus add to my profits, I can well afford to distribute annually a fair proportion of these profits to the working men who have enabled me to obtain this success. It is for my interest to encourage these people who are trying to make our enterprise a success, and I will do it with great pleasure. We have but one object in view, and that is to succeed, and in that success to which they contribute so much, they should participate.”

On the other hand the employee says: “My employer is willing to give me some share of his profit beyond my wages, if he is successful, and believes that I have aided to the best of my ability in securing that success, and I propose to give him the benefit of my best exertions, hoping to aid in making his enterprise prosperous. We are all engaged in a work in the success of which we are all interested.”

If such relations can be established between employers and employed, and the conditions fairly carried out, would it not go far toward solving the social problem satisfactorily?

Changing the conditions to correspond with the

different character of the industry, we can carry the principle into all the branches of human work which are distributed between those who employ and those who are employed, and in each we can so blend the operating agencies that but one interest will animate and govern it. Who cannot see in such a change the dawn of a more perfect civilization and the promise of peaceful and happy relations between the two great motors in human progress—the two powers which are indispensable to each other—as well as the realization of a large share of the expectations of reasonable socialists? I say “reasonable socialists” because it is to such only that I can appeal with any chance of approval. To those who expect to carry out their theories and accomplish their purposes by force, without regard to justice, or to those who are committed to schemes which disregard the plainest rights of a large body of their fellow citizens, I have nothing to say.

The proposition outlined in this paper contemplates the gradual emancipation of the working classes from conditions of inequality, so far as practicable, by inviting their hearty coöperation in a plan of mutual obligations and mutual responsibilities. It removes the artificial barriers which stand in the path of progressive intelligence and praiseworthy effort. It extends a friendly hand to all who may deserve encouragement and success, and opens the avenues to preferment and honor to all who may be worthy of such distinction; but it lends no aid to the idle and incompetent. Merit is recognized and rewarded according to its just claim, but no provisions are made for the lazy or dissolute. In short, the ruling idea is,

that if man needs help, he must first exert himself in order to deserve it.

The ways leading to a practical accomplishment of this plan are numerous, and although, in the nature of the case, the movements must for a time be experimental, there is no insurmountable obstacle to complete success. In his first paper the aim of the writer was to demonstrate the practicability and the advantage of working out a scheme of improving the condition and prospects of railway employees by a carefully devised system of compensating meritorious and faithful service by judicious promotion, pensions and life insurance, upon the theory of reciprocal benefits to employer and employed. All human experience teaches us that the best efforts of men are stimulated by the promise of gain in position and worldly conditions. The hope of something higher and better in life is a constant incentive to exertion, and under such circumstances the most successful results can be obtained. The difference in the work of a man who feels that he is qualifying himself for promotion and, at the same time, is establishing a claim for the protection or relief of his family, and in that of one who performs his daily routine of service in stereotyped form with the regularity and the indifference of a horse on the treadmill, satisfied with having performed his allotted share of work for a stipulated compensation, is sufficiently obvious. To this stoical workman the idea of contributing to the prosperity of the agency which employs him, except in the perfunctory discharge of his duties in exchange for the means of subsistence, never occurs and is never realized unless



by some sudden calamity the industry fails and he is thrown out of work. This is perfectly natural when the reflection in the mind of the workman is that he is employed as an indispensable part of a great machine which cannot be operated without him, and which must pay him through good times and bad. The change which my suggestions contemplate is the conversion of this working intelligence from a condition of apathy and indifference to one of active interest, by devoting a share of the results of successful operation to the care and comfort of the faithful and deserving. The improvement in the condition of the employee who feels that he has something at stake in the excellence, efficiency and economy of railway service, over that of mere routine work which has no expectation beyond monthly wages, is too apparent to require argument, and this improvement is precisely the object of this paper. Instead of holding out inducements to working men, however, in promises of benefits to be secured without corresponding return in the character of the service, the plan holds out expectation of reward only to those who may win it by faithful, superior and continuous work, and instead of calling upon railway companies to sacrifice anything by the contributions which the plan would require, the claim is confidently urged that every dollar thus expended would be returned with compound interest in the more efficient, careful and continuous service of the employees whose coöperation it is designed to secure.

Promotion from the existing working force, according to merit and ability, whenever practicable, systems

of hospital service and of pensions and life insurance, judiciously and equitably arranged according to merit and length of service, are the leading features of the coöperation suggested to railway management, and they call for no sacrifice, if better service leads to more economical operation. Nor are there any real obstacles to the adoption of such a plan except in the scanty profits of the railways which, in most cases, would at present interfere with the necessary appropriations.

Why, then, it may be asked, discuss the merits of a scheme which cannot be carried into practical operation at once? My reply is, that such projects always require thorough examination, and that although railway companies may be too poor to adopt schemes which require further expenditures of money now, I do not believe in the poverty of railways as a permanent condition. Several powerful agencies are at work, even now, to change this condition. One of these is to be seen in the limited construction of further superfluous competing lines, which will permit the transportation demand to grow up to the capacity of existing lines; another, in the increasing disposition of railway managers to reject unprofitable freight, forced upon them by the stress of competition; and the third is in the change in popular sentiment as to railway legislation. If these impressions are correct, it is not premature to take into consideration any and all plans of progressive movement in railway operations, and especially those which propose to identify, as closely as possible, the interests of employers and employed.

The distinctive feature of the arrangement herein proposed is in its mutuality of action and benefit. It demands no concessions for employees which will not be earned by them, and it may be fairly considered, in the long run, as one of the most economical and productive investments which railway companies can make. One of the most conspicuous errors on the part of those who represent the so-called working classes, is in giving to mechanical labor too prominent a position in general industry. The idea seems prevalent that men who are occupied in sedentary pursuits or who follow a professional life, are not to be included as forming a part of the real labor element. Therefore nearly all socialistic schemes of improvement appear to ignore mental labor, as if it had no claim to consideration in comparison with manual work, when, as a matter of fact, our cities are filled with men struggling as hard and often much harder for existence as traders, accountants, clerks, stenographers, etc., as the men who run railway trains or work in railway shops and yards. The auditor's department of a railway company is filled with hard-working clerks, but moderately paid, and all such clerks in the various departments are entitled to just as much consideration in plans of amelioration as the men who work in the shops or on the track. In the higher grades of service, too, whether the larger compensation gives the incumbent, in that respect, an advantage or not, he is entitled to be considered not only a part of the working-class, but a very important part. Without men competent to fill these high positions the operating forces of a railway would be as helpless

as children, except in the routine work which they are called upon to do.

It is no disparagement to skilled mechanics to say this. Each part of a working force is important in its place and deserves full recognition, but there can be no substantial progress in the condition of the working classes if they fail to appreciate the utility and influence of brain work and clerical service. Perhaps it is not quite fair to attribute such selfish distinctions to the workmen who belong to the various labor organizations, but as the loudest complaints always seem to come from those who do manual work and as in their movements to regulate the conditions of employment they do not appear to consider those who fill other positions in the same industrial agency as sharing in the grievances which they occasionally present, the natural inference is that they are apt to give themselves too much prominence in the machinery of which they are but a part. In a system of cogwheels and levers each piece has its share of work, and what might appear to be the smallest and most insignificant wheel of the system may be of importance enough to throw the whole machinery out of gear if dislocated or obstructed, and sometimes brains will accomplish what mere physical power could not.

At all events, the plan which has been outlined in these papers, so far as it applies to railway companies, is intended to include all employees in their service, whether employed in skilled or unskilled manual labor or in clerical work, just as now they share in the benefits of the hospital system, if they choose to avail of their privileges. It might and probably would be

necessary to make some distinction, especially in pensions, according to the character and service and the greater liability to accident in one branch of it over another, and it would undoubtedly be just and necessary to discriminate as to life insurance in favor of married men ; but these are minor points which belong to the details which are not essential to consider until the general scheme is adopted and it becomes necessary to formulate the working plan.

The writer considers voluntary contribution by the employing companies vital to the success of the scheme, for in that way alone can the company control the fund and maintain the conditions of the compact. If salaries and wages are assessed, as under the existing hospital service, the contributors to the fund, held in trust for their benefit, could doubtless claim a life interest in it, or it might at least lead to complicated legal questions which it would not be wise to invite, nor would it then be so clearly in the power of the company to hold employees strictly to the terms of the agreement. This control, while it would be defined and limited by the stipulations clearly set forth in the contract, would be the most important feature of the plan. It is probably safe to say that the principal anxiety of good men who work for a living is to provide something for their families, if they are married, or if unmarried for those who are dependent upon them. It is seldom we meet with men who do not belong to one of these two classes, and therefore the disposition to save something to guard against sickness, accident or premature death, or to acquire in the period of vigorous manhood something as a

provision against the weakness and infirmities of old age.

The theory of the plan in the matter of life insurance and pensions is therefore to avail of this influence, so creditable to human nature, to work out the coöperative principle. The employee enters upon duties which he agrees to perform faithfully to the extent of his ability. If he keeps his part of the agreement he knows that he will secure to his family or to those who are dependent upon him, a certain sum of money in case of death and a certain pension in case of accident, and this would be the equivalent of saving money to provide for those whom he might otherwise leave destitute—the fear of which constantly haunts him. He would still be at liberty to save from his wages all he can, but he would be always encouraged and sustained in his work by the consoling thought that he is earning an insurance fund for his dear ones beyond the reach of debt or temporary reverse of fortune, and he would be all the time accumulating this “safety fund” by his own exertions, without paying the onerous premiums which life insurance involves, or contributing toward it from his own wages.

The employing company having made a fair and liberal contract with him, it would be in his power to increase the eventual compensation by his zeal and constancy. Surely, this is something for a man to work for! Surely, this would call forth his best exertions in the service of the company, and is it not equally certain that men stimulated by this promised reward would render better service than under the for-

mer system? Would not a body of employees, thus encouraged and rewarded, make the best operating force attainable?

Not long since a prominent and intelligent citizen of Chicago suggested the passage of an act of congress, under which railway companies would be compelled to appropriate a certain amount from their earnings annually for life insurance and pensions for their employees. This would not harmonize with the fundamental idea of this plan, which is to require from employees reciprocity in improved service and fidelity for advantages guaranteed in return. To compel such provision on the part of railway companies would destroy the mutuality of interests upon which the scheme is founded. Such a law passed by congress would probably be unconstitutional, as it would be the assumption of control over profits earned by corporations, with which congress has no right to meddle; but even if it were constitutional and practicable, it would not accomplish the object which the plan contemplates. Voluntary appropriations of a portion of annual profits can only be secured by demonstrating the mutual advantages to be obtained. No railway company could afford to use any of its earnings in this way, if it could not justify the expenditure of securing to the owners of the property better and more economical service thereby.

The only claim to originality in this plan is in its propositions to establish mutuality of interests between those who employ and those who are employed, but if compulsion is attempted, as it would be in this suggested act of congress, there would be nothing mutual

about it whatever. It would simply force upon employers an expenditure which would be regarded by those employed as a part of their legal rights, just as much belonging to them as their wages, and they would consequently feel under no obligations to coöperate with their employers by giving more efficient and faithful work. The enactment of such an arbitrary law would be quite as unjust as a "sympathetic" strike, or any strike without a real grievance, where the object is simply to force an advance in wages, whether the business of the employer will warrant the advance or not. The same position was taken by the employees of the Pullman company and by the American Railway Union, and is just as untenable as an act of congress as it was in the acts of the parties to the Pullman controversy. Whenever congress undertakes to appropriate the earnings of employers, whether corporate or individual, or to confiscate the property of one class of its constituents to benefit another, it will be dangerously near to a tyranny which would be intolerable under a popular government. It is the object of the writer to suggest a method of peaceful adjustment of these much vexed and troublesome labor questions, which might be voluntarily adopted by employers, and, at the same time, be acceptable to employees. The element of force has no place in this method, and its attempted use would at once restore an antagonism between the two interests of labor and capital, which, in the opinion of the writer, is incongruous, absurd and entirely unnecessary.

If there is to be any real advance in civilization, as



far as it touches the interests of the working classes, or any permanent improvement in their condition, it will come from voluntary and harmonious movement and peaceful measures. Tyranny in legislation, tyranny in mobs or tyranny in strikes will be resisted, so long as the power of resistance exists, and so long as the government of this country is administered upon the theory of equal rights guaranteed by our constitution and expressed in our declaration of independence.

## CHAPTER IV.

### EXAMPLES OF PRACTICAL COÖPERATION.

The plan adopted by the Pennsylvania railroad company for the benefit of its employees has been in operation since 1886, and is the best and most carefully prepared of any which has come under the observation of the writer. It is probably as perfect as any which can be devised, under contributions from the employees, and it seems admirably adapted to its purpose. While, therefore, the preference of the writer is for a scheme which will provide the entire fund from the earnings of the company, it would certainly be a step in the right direction to introduce the method of the Pennsylvania railroad company whenever the proposed appropriations from company profits are impracticable.

This branch of administration is called "The Pennsylvania Railroad Voluntary Relief Department," but while it is distinct and separate from the general operation of the road, it is still intimately connected with the affairs of the Pennsylvania and its allied companies. The salient features of the working plan may be briefly outlined as follows :

1. In order to become a member of the relief fund it is necessary for an employee to make formal application according to printed blanks which are furnished, and in this application he agrees to be bound

by the regulations of the relief department, and also agrees to contribute from his wages as provided by these regulations "for the purpose of securing the benefits provided for in the regulations." In the application, which is in fact a contract with the company, the employee releases the company from all claims for damages for personal injury or death, in consideration of the benefits of the relief fund. The contract provides also that if the applicant ceases to be an employee, he forfeits his membership "and all benefits, rights or equities arising therefrom" except such benefits as he may "have become entitled to by reason of accident or sickness occurring while in the service."

2. In the language of the regulations, "The object of the department is the establishment and arrangement of a fund to be known as 'the relief fund' for the payment of definite amounts to employees contributing to the fund, who under the regulations shall be entitled thereto, when they are disabled by accident or sickness, and in the event of their death, to the relations or other beneficiaries specified in the application of such employees."

3. The relief fund is formed by voluntary contributions from employees; appropriations by the company when necessary to make up any deficit; income from the fund and such gifts or legacies as may be received.

4. The company takes general charge of the department; guarantees its obligations under the regulations; takes charge of the fund and is responsible for its safe keeping. The company supplies also the necessary facilities for conducting the business of the department, and pays all its operating expenses.

5. The general manager is, ex-officio, chairman of an advisory committee which is elected annually. The contributing employees elect three members of this committee from their own numbers, the board of directors of the Pennsylvania railroad company three, and these with the chairman constitute the committee. This advisory committee has general charge and supervision of the operations of the department.

6. Members of the relief fund are classified according to the amount of their regular pay per month as follows:

1st class. Those receiving not more than \$40;

2nd class. Those receiving more than \$40 and not more than \$60;

3rd class. Those receiving more than \$60 and not more than \$80;

4th class. Those receiving more than \$80 and not more than \$100;

5th class. Those receiving more than \$100.

7. No employee is required to become a member of the relief fund. It is entirely voluntary. Employees may become members, if not over 45 years of age, under a higher classification than that determined by his pay, if he has been continuously in the service of the company for five years, including membership of the relief fund for one year, immediately prior to his supplemental application for admission to such higher classification. Medical examination is one of the preliminaries to membership, as good physical condition is one of the requisites in the scheme of relief.

8. Members may withdraw from the relief fund by giving notice prior to the 25th of any month, and af-

ter such withdrawal the obligations and rights in connection with the fund cease at the close of the month in which the notice was given.

9. The monthly contributions are graduated according to the classification. The first class pays 75 cents per month, the second class \$1.50, the third \$2.25, the fourth \$3.00 and the fifth \$3.75.

10. Members are entitled to the following benefits: First, in case of disability by accident in the company's service, 50 cents per day for a period not exceeding 52 weeks for members of the first class, and proportionately larger amounts for members of the other classes according to the contributions, and half of these rates after 52 weeks, during the continuance of the disability. In case of sickness, the allowance is 40 cents per day for the first class and proportionately larger for the other classes, as in the case of accident, and for the same period.

11. In case of death the payments are to first class \$250, second \$500, third \$750, fourth \$1,000, fifth \$1,250.

The following table exhibits the amount of the contributions and benefits of the several classes:

	First class.	Second class.	Third class.	Fourth class.	Fifth class.
Highest monthly pay for each class .....	\$ 40.00	\$ 60.00	\$ 80.00	\$ 100.00	Over \$ 100.00
Rates of contribution per month .....	.75	1.50	2.25	3.00	3.75
Accident benefits per day, first 52 weeks .....	.50	1.00	1.50	2.00	2.50
After 52 weeks .....	.25	.50	.75	1.00	1.25
Sick benefits per day, not including first three days, and not longer than 52 weeks .....	.40	.80	1.20	1.60	2.00
Payments in the event of death .....	\$250.00	\$500.00	\$750.00	\$1,000.00	\$1,250.00

Many necessary provisions in detail accompany the regulations, such as the method of payment to the beneficiaries and the necessary proofs required to establish the claims of those not specifically named in the applications for membership, and other details which are important in the practical operation of the general plan of relief, but it is not essential to enumerate them here. The whole structure of the "relief department" is carefully designed to carry out its object equitably toward the employees and the employing company. Its main features harmonize admirably with the theory of mutual obligations, and the successful operation of the plan is one of the strongest arguments which could be advanced in favor of the system of co-operation upon practicable lines for the advantage of the working classes, and the promotion of the interests of the agencies of employment in better and longer service.

In regard to the success of this relief plan the following extracts from a letter, received by the writer from vice president Charles E. Pugh of the Pennsylvania railroad company are pertinent:

"First, it will be observed that any employee upon leaving the service for any cause whatever must necessarily sever his connection with the relief department. Our experience has demonstrated that this regulation has had a wonderful restraining influence upon our men, as their families become very much interested in this feature. The entire expense of conducting this department is borne by our companies, and all amounts contributed by the members are available only for benefits without any deductions whatever for

other purposes. This department was organized in 1886 and at the time was violently attacked by the various labor organizations, but quite unsuccessfully, and it has since gradually grown in favor. I am glad to say that all opposition now seems to have entirely disappeared, and we are much gratified at the appreciation of the department by our employees. The membership at the present time aggregates nearly 32,000, which represents about 80 per cent of those in our service who are eligible, men over 45 years of age or such as are unable to pass the necessary medical examination not being admitted to membership. I can only say in conclusion that we are abundantly satisfied with the results obtained and the appreciation manifested by the employees and especially by their families.

We have also in operation a Pennsylvania railroad saving fund, which was established in 1887 and is described in the books and plans forwarded with the other papers. The whole story with reference to this department is embraced in three or four pages of the deposit book. This saving fund is also greatly appreciated by our men, which is evidenced by the fact that there is now on deposit about \$1,250,000, and, as in the case of the relief department, the female members of their families become a factor. The amount deposited has varied only slightly since June 1, 1893, the beginning of the panic, the variation each month during this period not exceeding \$17,000."

The "savings fund" alluded to in the last paragraph has no connection with the relief department, but is given as a very interesting and useful illustration of

what can be accomplished by enlisting the financial skill of a great corporation in aid of a safe and productive investment of the savings of employees. It may be safely assumed that any railway company which will make proper use of its means and influence to promote thrift among its employees and at the same time make reasonable provision in case of death, accident or sickness, based upon continuous and meritorious service and contingent upon such service, will soon attach its working forces to the fortunes of the enterprise which employs them by the strongest of ties—those of self-interest.

Who can doubt this who has studied human nature? Exceptions may be cited. Men are sometimes led astray by vicious influences or by some *ignis fatuus* which temporarily obscures reason and even leads to suicide, but the predominating impulse is to follow the paths which lead to comfort and happiness, and men are especially influenced in such directions when others, whom they love, are dependent upon them. The self-interest which governs in these cases is not only natural, but it is one of the noblest traits of humanity.

The Pennsylvania plan obviates one difficulty previously alluded to in the present financial condition of most railway companies, and if the officers and employees of any company choose to combine in sufficient numbers to make the execution of such a plan practicable, there can be no objection to its immediate adoption, even if the plan sketched in these articles should be preferred. It has one great merit which is a leading feature in the writer's plan, namely



that of controlling the fund and holding the beneficiaries strictly to their obligations under the contract voluntarily entered into by the employees. It would be quite practicable and consistent with the plan of the writer to change the system of contributive payment at any time when the resources of a company would permit such a change.

This satisfactory experiment on the part of the Pennsylvania railroad company should induce every railway company in the country to introduce similar methods of life insurance and pensions, as soon as the employees show a disposition to unite in the voluntary contributions which are essential to its establishment. It is not, however, to be expected that employees will initiate such measures. The plans should be carefully prepared by competent men and laid before the operatives in all departments of railway service by each company; but in order to warrant the adoption of the plan it would be necessary to secure a fair number of contributors at the start. While, therefore, expressing a strong preference for the plan which provides the relief fund from the treasury of the company, for reasons given in a previous chapter, I have seen no plan based upon the contributions of employees which seems better adapted to accomplish its purpose than that of the Pennsylvania railroad company. It is possible that systems of relief by means of life insurance and pensions may be in operation with other railway companies in the United States, but this of the Pennsylvania is the only one which has come to the knowledge of the writer. At all events, it is all we require to illustrate the practical working of a

relief scheme bearing strong resemblance to the plan advocated in these papers, except in the method of raising and supporting the relief fund. The Pennsylvania railroad company, however, undertakes to guarantee the fund by agreeing to make good any deficiency in the annual receipts and disbursements and also pays the operating expenses. These are important and valuable concessions.

The railway companies of England have had a system of relief in operation for some years and, I understand, with satisfactory results, but I have not yet been able to obtain any trustworthy information in regard to the method in use. It is probable that the plan adopted by the Pennsylvania was framed after an examination of the English method and that the salient features are similar.

It is a significant fact, to be noted in this connection, that while in other departments of labor in England there have been serious strikes and disturbances, railway operations have been singularly exempt.

The principle of coöperative relief finds an excellent practical illustration in the manufacturing establishment of Alfred Dolge, of Dolgeville, N. Y.

Mr. Dolge is the largest felt and felt shoe manufacturer in the United States and employs about 500 men. The manufacturing establishment which his firm controls and manages has been in operation at Dolgeville since 1874, although the annual reports of the house up to January, 1894, indicate a period of twenty-five years, which doubtless applies to the date when he began the industry in Brooklyn, N. Y.

In 1874 the little village of "Brackett's Bridge,"

now Dolgeville, contained a population of about 100, but its superior water power and excellent location attracted the attention of Mr. Dolge, and to this place he moved his machinery from Brooklyn in the year named. From the little hamlet of 1874 Dolgeville, under the vitalizing influence of Mr. Dolge's enterprise, energy and skill, has grown up to a population of 2,500, and up to 1893 was one of the most thriving and successful of the manufacturing towns in New York state. The twenty-fifth annual reunion of the employees of the firm of Alfred Dolge, which now consists of the original founder and his oldest son Rudolph, was held in January, 1894, and from this we learn that the business troubles of 1893 had extended to the industry of Dolgeville, although we are led to believe, from a perusal of Mr. Dolge's annual address of that year, that this compact and well organized industry has borne the trials of an adverse period more successfully than most of the industrial works which have been obliged to meet the general storm. This result is largely due to the personal care and direction of Mr. Alfred Dolge in connection with the system of what he calls "earnings sharings," which he has established and conducted with superior judgment and skill for the last twenty years.

It is to this peculiar feature of the Dolgeville industry that attention is called in this paper, because it illustrates more nearly the principle of mutual advantages and mutual obligations than any plan of cooperation which has come under the observation of the writer.

The following paragraph from an article in "Cham-

bers' Journal," published in 1891, gives Mr. Dolge's views as follows:

"Mr. Alfred Dolge, after a study of all the known systems of profit sharing, came to the conclusion that the one he has adopted is the only practicable one for the amelioration of the condition of working people. It is not profit sharing, but earnings sharing; and he says it does not in the least resemble communism or socialism or the scheme of paternal government now in practice in Germany. It depends entirely on the development of each employee's individuality and places him on the same level with his employer. So-called profit-sharing, as generally practiced, he considers as simply the division of a certain share of the earnings, not of the profits of the business. He objects to the lazy and incompetent workman receiving the same percentage as the intelligent and industrious one, as it appears to him to destroy all individual ambition and is a kind of alms-giving. Besides, if the profits of a business are to be shared by employees, then it follows that they also share the losses."

Nothing could be more in harmony with the views heretofore expressed by the writer in regard to the absolute necessity of making faithful and meritorious service the basis of any advantages or benefits voluntarily conceded to workingmen. The practical application of this common sense idea at the manufactories of Dolgeville is therefore very interesting in a consideration of the subject.

The plan of "earnings sharings" followed at the Dolgeville works is embraced in the following provisions:

In order to enable the male employees of the Alfred Dolge manufactory to share in the net earnings of the business over and above their wages, the following rules and regulations for the distribution of such net earnings have been adopted, after several years of experimental trial, with a pension and life insurance plan:

1. There are three classes for this distribution, viz.: First, pension; second, insurance; third, endowment. The share of the net earnings, if there are any, to be set aside each and every year, is calculated upon the actual results as given by the books of the house. It is, however, in the discretion of the house to decide how much of the net earnings of business shall be appropriated for distribution.

Against this distribution account the amounts paid for life insurance and the amount necessary to maintain the pension fund are considered fixed charges. If in any year the net earnings are not sufficient to cover the amount paid for life insurance and pensions, the deficiency becomes a charge against the net earnings of the year following. The remainder after payment of such fixed charges is available for the endowment fund.

#### PENSIONS.

Every male employee over 21 years and not over 50 years of age at the date of entering service shall be entitled to a pension, as follows, after ten years of continuous service:

1. In case of partial or total inability to work, on account of accident, sickness or old age, an employee is entitled to 50 per cent. of the wages earned during

the last year preceding the disability after ten years of continuous service; 60 per cent. after thirteen years; 70 per cent. after sixteen years; 80 per cent. after nineteen years; 90 per cent. after twenty-two years, and 100 per cent. after twenty-five years of continuous service.

2. In case of accident or sickness in the service of the house, previous to the completion of ten years' service, each employee is entitled to a pension of 50 per cent. of his wages earned during the last year next preceding such accident.

3. In case of partial or total inability to work on account of accident, sickness or old age, employees who draw salary or earn wages to the amount of \$1,000 per year are entitled to the following pensions while such inability may last, viz.:

	Per year.
After 13 to 16 years of service.....	\$ 600
“ 16 to 19 “ “ “ .....	700
“ 19 to 22 “ “ “ .....	800
“ 22 to 25 “ “ “ .....	900
“ 25 years of continuous service.....	1,000

The rules include sundry minor provisions, such as the nontransferability of the pensions, the time of beginning continuous service in case of minors, the reservation to the house of the right to amend or repeal the rules, and of final decision in doubtful cases, and it is stipulated that all of the provisions of the “law,” as it is called, are voluntary on the part of the house and involve no legal liability to the employee. Provision is also made for the distribution of any balance remaining in the fund in case of change of proprietorship. These minor provisions are not given at length, as they are not essential to an understanding of the body of the pension plan.

## LIFE INSURANCE.

All male employees of 26 years of age and upward, after five years of continuous service, are provided with life insurance, as follows:

Every employee after five full years of continuous service, dating from the age of 21, is entitled to a life insurance policy in some life insurance company of \$1,000, payable to his heirs or assigns, and for every five years of continuous service thereafter, up to fifteen years, \$1,000 additional, making for this class of employees a maximum life insurance of \$3,000 after fifteen years of continuous service.

Employees entering the service at 22 years of age are entitled to \$1,000 life insurance for every five years of continuous service up to ten years, making for this class a maximum of \$2,000 life insurance, and employees entering service after 27 years of age up to 40 years are entitled to policies of \$1,000 after five years of continuous service, and this is the maximum for that class.

The annual premiums on these life insurance policies are to be paid by the house, except in cases of discharge of the employee insured, in which event the payment of premiums must be assumed by the employee.

Provision is made for employees entering service at the age of 41 years and after, under which an annual premium of \$35 is set aside by the house after five years of continuous service, for not exceeding twenty consecutive years of additional service, and with its accretion of interest paid to the heirs of said employees

at death, but in no case to exceed the sum of \$1,000. The same provision is made for employees when application for life insurance may be rejected, the amount for these last not in any case to exceed the sum of the policies they would have been entitled to in case of insurance under the rules applying to the age of the employee.

In case of any employee refusing or neglecting to make application for life insurance he will not be entitled to any benefit from the fund.

The minor provisions of the life insurance plan are similar to those adopted for the government of pensions, the house reserving its full right to discharge, etc., and not conferring any legal right in favor of employees, or establishing any legal liability on the part of the house. The same provisions are made also in case of change in proprietorship.

#### ENDOWMENT.

Every male employee over 21 years of age, after five consecutive years of service, is entitled to an endowment account:

At the end of each year so much will be credited to this account as according to the record kept by the house, and known as the manufacturing record, used as a basis demonstrating that he has produced more for the house than has been paid to him in the form of wages.

If by neglect or carelessness an employee has caused a loss to the house, as appears from such manufacturing record, the same shall be charged against such employee on the same account.



Upon any balance in his favor at the end of every such year of service, such employee shall be entitled to interest at the rate of 6 per cent per annum, to be credited at the end of each year.

The endowment money is payable upon reaching the age of 60 years, or upon death to the legal heirs. In case of leaving the employment of the company or discharge therefrom, the amount due at the time he leaves will not be paid until he reaches 60 years of age, except in case of death, and interest on the sum due will cease from the date of leaving the employment of the house.

The endowment fund cannot be assigned, but may be left by last will and testament. Loans, however, may be obtained, at the discretion of the house from the fund set aside, not exceeding the amount credited, by giving satisfactory collateral security and by paying interest thereon at the rate of six per cent per annum.

The same provisions as to the right of discharge, and as to the legal rights of the employees and the legal responsibilities of the house, etc., given as to the pension and life insurance plans are also attached to the endowment department.

The disbursements during the year 1893 were as follows:

For pensions.....	\$3,773.31
For insurance.....	4,100.22
For endowment.....	
For deposits.....	528.30
For school purposes outside of taxes.....	4,882.09
For parks.....	560.40
	<hr/>
	\$13,845.22
Previously paid.....	197,790.09
	<hr/>
Grand total.....	\$2011,635.31

Endowment account representing the amount annually earned by the workmen over their wages, received no credit during the year 1893, on account of the business depression, which Mr. Dolge in his annual address attributes entirely to the threatened changes in the tariff, as then proposed under the Wilson bill. The amount credited to this fund in 1891 was \$3,064, and in 1892, \$4,256.15.

Under Mr. Dolge's excellent management the town of Dolgeville has become one of the most prosperous and thrifty of the manufacturing towns in the state. It is well provided with schools and has an excellent public library, parks, electric light and other modern conveniences, and seems to be a model home for workmen.

This result is largely due to the judicious intelligence of Mr. Dolge in carrying out his plan of "earnings sharings" and in diversifying the industries of the town.

Notwithstanding the gloomy views of Mr. Dolge as to the effect of the Wilson tariff, it is not unreasonable to expect from a man of such remarkable genius and fertility of mind, that adaptability to changes in industrial conditions, so that

"Out of this nettle, danger,  
We pluck the flower, safety."

## CHAPTER V.

### PROFIT SHARING.

Profit sharing as a practicable method of solving the problem presented in the antagonism of capital and labor has been in operation in Great Britain, France and the United States for many years, and in some cases it has been quite successful, but the scheme worked out by Mr. Alfred Dolge—a sketch of which was given in my last chapter and which that gentleman calls “earnings sharings”—obviates some of the objections to profit sharing and is, in the opinion of the writer, far superior to methods which simply provide for a distribution of a share of profits, if any are made, but which neither cover the contingency of adverse business years nor discriminate between meritorious and faithful service and that of an inferior character. In 1891 “Chambers’ Journal” published an interesting article on this subject, introducing at the same time Mr. Dolge’s improved plan of enlisting the interests of his employees in the success of his business by a system of compensation dependent upon it and consisting of life insurance, pensions and endowment, which “Chambers’ Journal” calls “a new departure.” From this article I condense the following information, which should interest all who have given this subject any attention:

In 1843 Edme-Jean Leclair, the Parisian painter

and decorator, who is called by the "Journal" "the father of modern profit sharing," adopted a plan of that character and astonished his skeptical workmen as to his intentions by throwing a bag containing 490 pounds in coin upon the table for distribution among them. Leclaire found that a mutual aid society, which he had established in 1838, became "a powerful means of moralization and a living course in public law." M. Fregier in 1835 had dropped a hint to him that the best expedient for removing the antagonism between capital and labor was to allow the workmen some participation in profits. Neither Leclaire nor the author of this suggestion took the matter seriously at first, but in 1842 the house painter after much thought concluded to try the experiment. As now constituted, the net profits of the firm are divided in certain proportions between the managing partners, mutual aid society and the regular workmen. Five per cent of the capital of 400,000 francs is deducted like wages from the gross profits in order to establish the net profits; 50 per cent of the remaining profits go to labor in cash; 25 per cent to the great provident society, which is now half owner of the capital of the firm. Between 1842 and 1872, the year of Leclaire's death, the mutual aid society and his workmen had received 34,000 pounds. In 1883 the sum had reached 133,000 pounds. In 1882 and 1889 the dividend that was paid to wages was over 9,000 pounds (\$45,000) in each case. The effect on the workmen has been to make them sober, thrifty and industrious.

Other notable profit sharing works are the Coöp-

erative Paper Works, Angouleme, founded by M. E. Laroche-Joubert, where the dividend is paid in cash. At these works between 1879 and 1888 more than 44,000 pounds (\$220,000) was so distributed over and above wages. At Godin's iron foundry, Guise, employing 1,600 hands, the workmen's share of profits accumulates toward the purchase of shares in the firm. Profit sharing in some form has been in force there since 1877 and began with a bonus. Nearly 1,000 workmen received additional wages in 1889. "The result is that out of a squalid, ignorant peasantry he (Godin) has produced an industrious community, with the discipline of a regiment and the commercial alertness of a market place."

"The celebrated scheme of Messrs. Briggs, Whitworth Colliery, Yorkshire (England), lasted from 1864 to 1875, until the participation of the workmen in a strike caused its collapse. When the net profits exceeded ten per cent on the capital embarked, all those employed by the company, managers, agents, or work people, receiving one-half of this excess profit in proportion to their respective earnings. About 34,000 pounds were so distributed in nine years." In 1891 about fifty British firms, eighty-one in France, Alsace and Switzerland, and twenty-nine in the United States, practiced some system of profit sharing. The usual agreement in the case of British firms provides that the surplus profits of the business (if any) beyond such definite sum as may be reserved to the firm for their own benefit shall be divided into two equal parts; one part is distributed (not of legal right, but gratuitously) as a bonus to the employees, according to the

rules adopted by the firm; and the other part is retained by the firm. This carries no voice in the management, "and the weak point is, that drones and working bees have share and share alike."

It is not to be understood that any of these individuals, or members of profit sharing firms, pose as philanthropists. They have simply adopted this method upon business principles, with the expectation of promoting greater care of implements and economy of material, and of uniting employers and workmen in closer relationship. Leclair expressly disclaimed philanthropic motives. He simply adopted the scheme of profit sharing for its advantages in a business point of view. "I would rather gain," he said, "one hundred thousand francs and give away fifty thousand, than gain twenty-five thousand and keep the whole for myself." The mathematical logic of this proposition will not be disputed.

Mr. Dolge's method is commended by Chambers' Journal as much the best of any of those which have been tested by practical experience. It grasps one feature of co-operative industry, which, to the writer seems to be vital to its permanent success, that is, in the principle of mutuality which governs its operation. Employers undertake no work of philanthropy, but adopt a simple business proposition which is strengthened and sustained by reciprocal advantages, and workmen receive no charitable aid in a scheme which calls upon them for their best and most intelligent exertions, that they may reap the fruits of such superiority. In other words, there is no sacrifice of independence or self-respect on either side. The em-

ployer thinks his industry will be more prosperous, if he can enlist the energies and intelligence of his workmen in the success of its prosecution, and the workmen avail of a fair chance of improving their worldly conditions by aiding in the development of an enterprise in the success of which they are pecuniarily interested. On the one hand, the employer is governed by no alleged claims of the working classes, as urged by extreme socialism, nor is he driven to the adoption of the plan by intimidation. He consults what he believes to be his true interest, in all points of view, and sees, at the same time, in the working of the scheme, one of the fairest and best of methods for bringing skilled labor more closely in touch with those who direct it, and more directly connected with the results of its application. The difference which such a change in relations must ultimately produce in the respective attitude of employers and employed, admitting reasonable success in its practical operation, can be easily conceived. A forcible illustration may be found in machinery, in which each part strengthens a part, and which works with infinite power and ease when the component pieces are harmoniously adjusted. No power is lost, no material wasted, and the product is likely to be as perfect and as economical as human intelligence can make it.

Above all things which have impressed the writer in considering this subject, is the importance of the mutual principle, which is so conspicuous in the system followed by Mr. Alfred Dolge, and which that gentleman takes frequent occasion to emphasize. It is, in fact, the key to success in that system of so-

called coöperation, as it is the only commonsense way of coöperating. To distribute any part of the profits which accrue from the more intelligent and more faithful, or the more skillful, to the lazy and incompetent, would be discouraging to those who are stimulated to a larger development of their talents, or who are induced to work, not harder but with an intelligence directed to the end in view, and with minds interested in the success of their work. The writer lays great stress upon this condition as a ruling feature in any coöperative scheme and has no faith in the permanent success of any which ignore this principle. The arguments in favor of this discrimination are forcible and conclusive, and, furthermore, it is vitally essential in schemes of this character, to conform to the existing conditions of human life and development, if we expect to enlist the support of intelligent working men.

Seeking to apply the coöperative idea to railway companies, the method followed by the Pennsylvania railroad company as detailed in the preceding chapter not only appears to be carefully prepared upon principles of reciprocity, but it has the great advantage of successful operation. It is no longer an experiment, and the example may be followed with the assurance of success which eight years of practical work enables us to claim for it. The importance of introducing systems of relief for the benefit of employees is so obvious, that in view of its immediate practicability the writer ventures to urge upon railway managers an early consideration of the subject, and to suggest, also, to employees prompt action on their part



to secure the necessary number of applicants to warrant the adoption of the system, whenever railway companies through their officers indicate a disposition to aid in its development.

In the consideration of such schemes, the tendency of human nature is to assent to its propositions in a general way, and then to dismiss or postpone further reflection, even when taking a real interest in the subject. Railway managers are profoundly occupied in the complicated problems of transportation and of late years in the consideration of measures for the restoration of health and prosperity to these great agencies of industrial distribution. Under such conditions, projects however well founded and even of great importance in their bearing upon the future of railway operations, are laid aside and forgotten, unless they are kept alive by some who will devote especial attention to the matter. It would seem superfluous, and might even appear presumptuous on the part of the writer to suggest the easy remedy available in such cases. If the relief system of the Pennsylvania company commends itself to the officers and employes of any railway company, it will only be necessary to take an active interest in it to secure its adoption and success.

In a supplemental chapter I may be able to give some of the details of coöperative relief in operation on the railway lines of England and France, and, perhaps, information as to other industrial works in the United States; but in the examples already given, demonstrating as they do the practical success of coöperative industry and coöperative relief, we have

the strongest arguments which can be urged in favor of an extension of the system. It is no longer a theory; it is practice and fruition.

Considered in its ethical bearing, the subject should command the attention of all thoughtful men. The industrial world is vitally interested in the question, and in that category should be included all who toil for a living, whether in manual labor or in brain-work, without which physical power lacks direction and successful application. Social questions which bring into consideration the relations between employers and employed are not introduced for the purpose of aiding any particular interest, nor to invite theoretical discussion, but simply to suggest practical remedies for a growing evil which has already caused widespread disturbance and is a threatening factor of trouble in the future. The writer is strongly impressed with the idea that coöperation between capital and labor, or perhaps it would be more accurate to say, between employers and employed, is the key to a satisfactory solution of this much vexed question. The successful experiments which have been detailed in a previous chapter, together with the knowledge of many other industrial works in successful operation in different parts of the world give strong assurance of the practicability of harmonizing the interests of the two agencies of capital and labor. If any imperfections appear as the system is developed upon a large scale, there will be little or no difficulty in readjusting the machinery. The main point is to feel satisfied that our efforts are to be exerted in the right direc-

tion, and that the principle which governs them is fundamentally sound.

In coöperative schemes of the character advocated in this series of papers, and practically illustrated in some of the industrial works now in operation in this country and in Europe, the writer finds a remedy for the evils of which reasonable socialists complain. These schemes do not contemplate the impossible task of correcting the natural inequality of man in physical and mental conditions, but embrace the idea of so adjusting the machinery of production and distribution as to give men fair opportunities to improve their situations in life according to their own exertions and their own merits.

Any and all plans which involve the sacrifice of man's independence or the destruction of his individual responsibility and personal ambition, will, in the writer's judgment, be found utterly impracticable. A sentimental halo radiates from the Utopian schemes which propose to transform human nature and to settle the problems of natural inequality by patent processes and automatic movements, but sentiment alone will not change human nature, and it is but a waste of time to consider propositions which are permeated with injustice and which, if carried into effect, will array class against class to their mutual injury.

With another chapter, in which I propose to apply the coöperative features of industry to socialism, as the only feasible improvement of existing social conditions, I shall try to conclude this series of articles which, perhaps, have been more interesting to the writer than to your readers.

## CHAPTER VI.

### EXAMPLES OF COÖPERATIVE METHODS.

The London & North-Western railway company has two departments of relief for the benefit of employees which have been in operation for some years. One of these, called the "Insurance Society," was established in 1877, and the other, called the "Provident and Pension Society," established January 1, 1889.

The object of the Insurance Society is to provide pecuniary relief in cases of temporary or permanent disablement, arising from accident while in the discharge of duty, and in all cases of death. The affairs of the society are under the management of a committee composed of twelve members of the society, and three in addition, these last to be nominated by the London & North-Western board.

The chairman, deputy chairman and secretary of the railway company are constituted trustees, in whom all property of the society is vested, for the time being, for the use and benefit of the society and its members. Annual meetings of the society are provided for, and proper rules govern the system of accounts and the auditing thereof.

"For members who, before sustaining the personal injury in question, agree to accept the contribution to the funds of the society by the London & North-

Western railway company" in place of claims which, otherwise, they might have against that company, the scale of payments and allowances is as follows :

Passenger guards and brakemen pay three pence per week and receive :

1. In case of death by accident while in service, £100.
2. In case of permanent disability, £100.
3. In case of temporary disability by accident, per week, 21s.
4. In case of death from any cause not provided for in the rules, £10.

Porters and others pay two pence per week and receive £80 in cases Nos. 1 and 2 ; 14s. per week in No. 3 ; and £10 in No. 4.

Boys and others with wages under 12s. per week, pay one penny per week and receive in cases Nos. 1 and 2, £40 ; in No. 3, 7s. per week ; and in No. 4, £5.

For members who do not so agree, the scale of payments is the same for each class of employee, but the receipts are diminished as follows :

Guards and brakenien receive in case No. 1, £40 ; in case No. 2, £35 ; and in case No. 3, 18s. for the first 26 weeks and 9s. per week for the second 26 weeks ; while in case No. 4 they receive £10.

Porters, etc., receive £35 in case No. 1 ; £25 in No. 2 ; and in No. 3, 12s. per week for first 26 weeks and 6s. per week for second 26 weeks.

Boys, etc., receive £12 10s. in case No. 1 ; £18 15s. in No. 2 ; and six pence and three pence per week in case No. 3 ; while in case No. 4 the allowance is £5.

For any member leaving the employment of the

company, or who becomes ineligible as a member of the society by promotion, the insurance effected in his behalf is immediately determined and he then ceases to be a member.

In case the funds of the society become insufficient to provide for its liabilities, the committee of management have power to levy, not exceeding two additional weekly contributions, according to the scale, during a period of three months.

Forms of application for membership and of agreement to be signed are given in the copy of rules, and these rules provide for the safe investment and care of the society's funds, and for arbitration in case of dispute, and there are minor provisions for the government of the society, which are not essential in this condensed statement.

The object of the "Provident and Pension Society" is to provide weekly allowance in case of temporary disablement for work, retiring gratuities for old or disabled members in certain cases, death allowance to the representatives of deceased members; allowance toward the funeral expenses on the death of a member's wife, and pensions to old or disabled members.

The members of the society are, of course, to be employees of the railway company. By the company's rules, all persons regularly employed at weekly wages (except certain men in the locomotive department), who are not under 18 or over 45 years of age, or in the receipt of less than 12s. a week, are required on their appointment or promotion to join the society as first or second class members, as they may elect. Those who are under 18 years of age or receiving less

than 12s. a week, will join the society as third class members, but they will be required upon attaining that age and rate to become either first or second class members.

The London & North-Western railway company contributes on account of pension benefits £3,800 a year until the payments of first and second class pension members at one penny each per week amount to that sum, and then in lieu of such contribution, the company pays a sum equal to one penny per week per each first and second class member; but in no case is the contribution of the company to exceed £6,000 per annum, unless a further sum should thereafter be voted by the proprietors. The company also contributes in like manner on account of Provident benefits the sum of £800 per annum in addition to the fines inflicted upon the staff in other departments than the locomotive.

The management is by the same committee in charge of the "Insurance Society," the company's nominees having a voice in the affairs of the "Provident and Pension Society" as members of the committee, by virtue of the company's contributions to the society.

The trustees are the same as in the Insurance Society and the provisions in regard to the investment and care of the funds of the company are the same and the provisions in regard to meetings, the rendering and auditing of accounts are similar to those of the Insurance Society. Medical certificates as to the state of health of applicants for membership are required in both of these relief departments; but the

certificates furnished to one will answer for both. If any member is disabled in consequence of immoral conduct, intemperance, or by accident as the result of bad habits, he forfeits any claim upon the funds of the society, except as to any pension to which he will be entitled, if he has at that time attained the age of 65.

Upon attaining the age of 65, a member who has contributed to the fund for a period of not less than 20 years, is entitled upon leaving the company's service to the following pensions:

Persons who, since July 1, 1889, have contributed according to appendix 1, scale A, will receive, class one, a weekly pension of 12s.; class two, a weekly pension of 9s.

Many minor provisions, which it is not necessary to mention here, are embraced in the rules which govern the society. They are much the same as those of the Insurance Society.

Carefully prepared tables accompany the printed copies of the rules, but they are too elaborate to be given here in detail. The payments or contributions range from six pence to two pence per week, according to classification, and the members are entitled to receive in cases of disability from 12s. to 6s. per week. In case of death from causes not included in the Insurance Society's guarantee, £10 for first and second, and £5 for third class. Upon death of wife, toward funeral expenses, £5 for each class of members. The retiring gratuities range from £12 10s. to £50 for the first and second classes, and from £6 5s. to £25 for the third class. In cases of disqualification for work after 65 years of age, a weekly pension of from 12s.



to 9s. is allowed, and in cases of disqualification for other causes, after 20 years of service, 5s. to 3s. 6d. per week, under the rules prescribed for such cases.

This is but an imperfect statement of the arrangement for distributing the pension fund, but it will serve to give the reader some idea of the benefits to be derived under its practical operation.

Applications for admission to membership are necessary as in the case of the Insurance Society.

From the annual report of the Insurance Society for the year ending Dec. 31, 1893, we glean the following statistics:

The number of members of the society at that date was 44,439. The working of the fund for four years has been as follows:

Deaths from accident on duty.

1890.....	79
1891.....	72
1892.....	87
1893.....	70

Payments by the society.

£	s.	d.
6,345	12	0
5,863	0	9
7,194	12	5
5,029	0	5

Deaths from other causes.

1890.....	327
1891.....	400
1892.....	281
1893.....	431

Payments by the society.

£	s.	d.
3,201	16	7
3,937	18	1
3,813	13	11
4,245	13	11

PERMANENT DISABLEMENT ARISING FROM ACCIDENT ON DUTY.

The society has since its formation paid a total sum of £67,102 5s. 11d. in cases of permanent disablement, in addition to weekly allowances granted in excess of the usual period to members permanently disabled amounting to £412 1s. 4d. The number of cases ranges from 75 in 1890 to 86 in 1893.

The weekly allowances to members temporarily dis-

abled by accident incurred while in the discharge of duty since the commencement of the society amount to £241,515 9s. 6d. The number of cases range from 6,159 in 1890 to 6,394 in 1893.

The total receipts of the society since 1871 have been £535,368 19s. 3d., of which the London & North-Western railway company paid £200,396 9s. 3d., and members by contribution £322,964 os. 2d. During the year 1893 the payments to members were as follows:

	£	s.	d.
Accidental death allowance.....	5,929	0	5
Natural death allowance.....	4,245	13	11
Permanent disablement.....	6,984	16	4
Temporary disablement.....	20,328	4	10

The total amount paid by the society in these allowances since 1871 reaches the sum of £479,709 3s. 5d., or in round numbers reduced to United States currency \$2,326,183. The society reports a balance of £23,201 in its treasury.

The Provident and Pension Society's report for the same year states the number of members at 34,280.

	£	s.	d.
The amount of receipts for the year was.....	46,962	13	4
And expenditures.....	37,686	6	9
Leaving a balance for the year of.....	£9,276	6s.	7d.

Of these receipts the London & North-Western railway company contributed £6,683 6s. 6d. The total receipts of the society for the four years, 1891 to 1893, were £483,034 15s. 5d. Of this the railway company contributed £71,588 14s. 1d., and the members £359,062 19s. 4d.

The total payments to members in allowances for the four years were as follows:

	£	s.	d.
Death allowances.....	26,049	14	6
Death allowances, members' wives.....	7,555	0	0
Weekly allowances.....	247,561	10	11
Special grants.....	782	7	2
Retiring gratuities.....	21,198	12	3
Pensions.....	5,892	19	11

### THE LONDON, BRIGHTON & SOUTH COAST RAILWAY.

The London, Brighton & South Coast railway company has two departments of relief for the benefit of employees.

The first is called the "superannuation fund." The conditions and regulations require all officers and other regular employees not over 40 years of age, from the time of their admission to the service and so long as they continue in it, to be contributing members. The directors have discretionary power to make special arrangements with those who are over 40 years of age.

Any contributing member who may be dismissed from the service for dishonesty, or retiring to avoid such dismissal, forfeits all his contributions and loses all benefits whatever from the fund.

In case of the death of a contributing member before deriving any benefit from the fund, the amount of his contribution up to the time of his death with interest at the rate of 4 per cent is to be paid to the legal representatives of the deceased.

Every contributing member who shall have been such for a period of ten years in the employ of the company, at the age of 60, when retiring from the service, is entitled to an annual allowance for life equal to such proportion of his average salary upon the following scale:

After ten years' contribution, 25 per cent of average salary.

After eleven years' contribution, 26 per cent of average salary.

After twelve years' contribution, 27 per cent of average salary.

After thirteen years' contribution, 28 per cent of average salary.

After fourteen years' contribution, 29 per cent of average salary.

After fifteen years' contribution, 30 per cent of average salary.

And so on until after thirty-five years' subscription a member being 60 years of age would be entitled to receive as the maximum superannuation 50 per cent of his average salary.

Employees who had been in the service of the company prior to the establishment of the fund uninterruptedly for a period of ten years are entitled to an additional allowance of  $2\frac{1}{2}$  per cent on the average salary, and those who have exceeded fifteen years of service under the same conditions are entitled to additions ranging up to 10 per cent, according to the length of service.

Provisions are made for cases of retirement in consequence of ill-health or infirmity before the expiration of ten years, discretion being given the directors to arrange payments from the fund, according to the nature of the case.

Every contributing member who shall not have been admitted on special and exceptional terms shall contribute a sum equal to  $2\frac{1}{2}$  per cent on his actual

salary, the company being at liberty to deduct the contribution pro rata, as the salaries are paid.

The company contributes to the fund semi-annually out of its revenues a sum equal in amount to the sum which, during the same half year, has been contributed thereto by the members.

The sole management of the fund is vested in the directors.

The other department is called by the company "railway servants' insurance." Applicants for insurance under the provisions of this department are required to sign a prescribed form of application for life insurance against accidents occurring in the discharge of duties in the service of the company, stating the amount of insurance desired according to the prescribed classes in the form of application.

Class No. 1 carries a life insurance of £200, and a weekly allowance of 20s. in case of personal injury. The premium on this class is 1s. every two months. Class No. 2, £150; weekly allowance, 15s.; premium, 9d. every two months. Class No. 3, £100; weekly allowance, 10s.; premium, 6d. First class (A), £300; weekly allowance, 20s.; premium, 1s. 6d. Second class (A), £250; weekly allowance, 15s.; premium, 1s. 3d.; third class (A), £200, weekly allowance, 10s.; premium, 1s.

The applicant releases the company from all claims for damages in case of personal injury or death therefrom. These two departments of the London, Brighton & South Coast railway are equivalent or about the same as the departments of life insurance and pensions in other companies, but the system appears to

be compulsory, and the allowances in case of death or superannuation are different, and the premiums and contributions are larger in the ratio of larger life insurance and weekly allowances.

#### THE BALTIMORE & OHIO RAILROAD.

The Baltimore & Ohio railroad company established a "relief department" for the benefit of its employees in 1889. It is divided into three sections, known as the relief, savings and pension features, the accounts of which are kept separate. The railroad company assumes general charge of the department, furnishes office-room and furniture, gives the service of its officers and employees and the use of its facilities; becomes the custodian of its funds, with full responsibility therefor and guarantees the true and faithful performance of the obligations of the department in conformity with the established regulations.

The relief feature affords relief to its members who may be disabled by injury or sickness, and to their families in the event of their death.

The savings feature gives employees the opportunity of depositing their savings, earning interest thereon, and enables them to borrow money at moderate rates of interest and on easy terms of repayment, for the purpose of acquiring a homestead, or freeing it from debt.

The pension feature makes provision for those employees who from age or infirmity, are relieved, or retire from the active service of the company.

The railway company contributes to the department the following amounts annually :

Six thousand dollars for the relief feature when not needed for pensions.

Twenty-five thousand dollars for the pension feature.

Two thousand five hundred dollars for the physical examination of employees.

Membership in the relief department is made a condition of employment, except in cases which are specified.

Forms of application for full membership of the relief department and for the "natural death benefit" are furnished, and these forms constitute agreements between the applicants and the railway company, and the applicant in these releases the company in the usual way from claims which might otherwise be made.

The contributing members are divided into two classes, the first embracing those who are engaged in operating trains or rolling stock. The second, those not so engaged. The contributions of the first class range from \$1 to \$5 per month, according to subdivisions governed by amount of monthly pay; the contributions of the second class range from seventy-five (75) cents to \$3.75 per month, according to classification in the sub-divisions.

The contribution for the "natural death benefit" only is at the rate of twenty-five (25) cents per month for each benefit of the lowest class.

The following table presents the contributions and benefits in compact shape, according to classification.

	A	B	C	D	E
Rates of contribution per month--					
First class.....	\$ 1.00	\$ 2.00	\$ 3.00	\$ 4.00	\$ 5.00
Second class.....	.75	1.50	2.25	3.00	3.75
Entitling to benefits--					
For accidental injuries, per day, not including Sundays and legal holidays--					
First 26 weeks.....	.50	1.00	1.50	2.00	2.50
After 26 weeks.....	.25	.50	.75	1.00	1.25
For sickness, per day, not in- cluding first six working days, Sundays or legal holidays, for 52 weeks.....	.50	1.00	1.50	2.00	2.50
In the event of death from--					
Accidental injuries.....	500.00	1000.00	1500.00	2000.00	2500.00
Natural causes.....	250.00	500.00	750.00	1000.00	1250.00

The arrangements to facilitate the deposits of savings are carefully prepared and the facilities given to depositors for borrowing are stated in detail, but these features are not essential in this condensed statement.

The "pension feature" provides for contributions and benefits according to the following table:

	10 years membership and under, $\frac{1}{2}$ sick rate.	15 years membership, 5 per cent additional.	20 years membership, 10 per cent additional.
Those contributing under relief feature to class A.....	\$0.25	\$0.26 $\frac{1}{4}$	\$0.27 $\frac{1}{2}$
Those contributing under relief feature to class B.....	.50	.52 $\frac{1}{2}$	.55
Those contributing under relief feature to class C.....	.75	.78 $\frac{3}{4}$	.82 $\frac{1}{2}$
Those contributing under relief feature to class D.....	1.00	1.05	1.10
Those contributing under relief feature to class E.....	1.25	1.31 $\frac{1}{4}$	1.37 $\frac{1}{2}$

In all of these plans of relief adopted by the companies named in these chapters there are strong points of resemblance, while in some respects they differ, but



not enough to conflict with the general purpose of each scheme to benefit the employees. The information herein given, necessarily in outline, will be sufficient to enable those who are interested in the subject to give it attentive consideration. Further details can be easily procured of the companies whose plans are sketched.

The Northern Pacific railway company has a relief system in operation also, I understand, but the details are not in my possession, and it is scarcely necessary to add it in these papers, unless it embraces entirely new feature.

#### THE N. O. NELSON MANUFACTURING CO.

The only other establishment which I propose to sketch as an example of coöperative industry is that of the N. O. Nelson Manufacturing company, a joint stock corporation incorporated in Missouri.

This house was founded in 1877, incorporated in 1883 and adopted profit-sharing in 1886. Its business is the manufacture and sale of plumbing goods, steam goods and machinery. It has factories in St. Louis, Mound City, Ill., and Leclaire, Ill. It employs from 400 to 500 men.

The following is a condensed statement of the system of profit-sharing and its results :

After allowing interest on the capital, one-tenth of the profits is set aside for a reserve fund, one-tenth for a provident fund and one-twentieth for an educational fund. The balance is divided between capital and wages. The reserve fund meets the losses of bad

years and serves to equalize dividends when profits are small.

The provident fund takes care of the sick and disabled and the families of deceased. The management of the fund is entrusted to a committee of five of the employes, and elected by them. The educational fund is to provide a library for the employees.

The result of the first year's business was a dividend of 5 per cent on wages, the second year 10 per cent, the third 10 per cent, the fourth 8 per cent, the fifth 10 per cent, the sixth 8 per cent, the seventh 4 per cent and the eighth year (1893) nothing.

At first the dividends were payable in cash. In 1890, after having paid cash dividends for four years, the rule was changed so as to make them payable in stock of the company. This was designed to make the dividends accumulate, instead of being consumed. Whenever any employee quits the service of the company it has hitherto been the practice to redeem the stock at par. In 1892 the manner of dividends was modified so as to give 2 per cent dividend to wages to each 1 per cent on capital. The earlier practice of setting aside 10 per cent for provident fund and 5 per cent for educational fund was changed to that of paying out whatever amounts were required for these purposes and at the end of the year charging them against the profits.

The dividends paid in wages have amounted to a little more than \$60,000 and the payments by the provident committee to something over \$6,000.

The following succinct statement of the practical operation of the company under the foregoing ar-

rangements gives the information upon this point in a compact paragraph :

“It is the opinion of the management that waste of time and material has been reduced and better attention has been secured ; but whether this amounts to more or less than the dividends paid the managers do not venture to say. For four years the working time has been nine hours a day without any change of pay. In the summer of 1893 the scarcity of money and the necessity of granting unusual accommodation to customers induced the management to submit to its force a proposition to pay only three-fourths of the usual rate of wages until times should be better, promising however to pay the other quarter whenever profits were earned in excess of interest on capital. This was assented to by all departments, after full discussion in open meeting, without any objection. At the end of three months full pay was resumed, and at the end of the year it was found that the earnings would pay the other one-quarter of wages and interest on capital. For the year 1894 it was mutually decided to run ten hours instead of nine, to make up for the low prices prevailing and to keep up with the good demand for goods. This conclusion is based upon the belief that nine hours will produce a larger yield per hour than ten hours, but will not yield as large in the total. It is the intention to resume a nine-hour day in the near future.”

About one-half of the company's works are located at Village Leclaire, near and a part of the township of Edwardsville, Ill., about 18 miles from St. Louis. It was located in 1890. The village is pleasantly and

conveniently located; has good streets and roadways, paved with cinder. Elm and maple trees line the streets, and the town is provided with water and electric lights. The company builds the houses on plans mutually agreed upon and charges for them the cost of raw material and labor, plus the average profit made by the manufacturing business. The payments per month for these houses range from \$10 to \$20. It is intended to enable everyone to secure a house and to make the payments as he can afford. When a man wishes to remove and dispose of his property the company voluntarily takes it back at the purchase price, refunds the money paid on it and charges rent for the time occupied. Water is free to all the houses. Electric light is provided at twenty-five cents each lamp per month. Employees of the company are free to live where they please.

Among the conveniences and attractions of the Village Leclair are a club house, which embraces a coöperative boarding club; a coöperative store, a free billiard room and bowling alley and a library society for providing lectures. There is a well-trained military band of 18 regular members and an auxiliary corps of 12. In the summer this band performs two nights each week on the lawn adjoining the club house. The library consists of 600 freshly selected books. This is free to all.

A kindergarten was started in 1892 and has kept increasing. It has one endowment of \$10,000 in the stock of the company.

This imperfect outline of the Village Leclair as a part of the coöperative enterprise of the N. O. Nel-

son Manufacturing company will probably interest the readers of these papers, as illustrating some of the advantages of a liberal system of coöperation or profit-sharing. One is tempted by the description of generous provisions of the company to seek a residence in a town which combines so many comforts with sound methods for mental and physical improvement.

The managers of the company do not claim that Leclaire is a model village, and they are careful to disclaim any philanthropic object in the scheme. It is evident however that the plan of operation and development has been carefully designed to promote the welfare of the employes and to make profit sharing a success.

## CHAPTER VII.

### FALLACY OF SOCIALISTIC IDEAS.

Having now sketched coöperative plans in actual operation, both in railway service and manufacturing, I have furnished ample evidence in favor of the practicability of such schemes and of their successful operation through many years. It is quite possible that improvements may be suggested which would add to the popularity, as well as the efficiency of these coöperative systems, but even if there are imperfections, they do not constitute valid objections to the general merit of coöperative plans based upon the relief afforded by life insurance and pensions. A study of the subject in all its details should result in the adoption of the best system of coöperative benefit which human intelligence can devise under present conditions. It is, therefore, justifiable to claim that the coöperative system as practically applied in the illustrations given is an entire success.

If this is admitted, what better remedy can be devised for the social inequalities of which complaint is made by those who unite under the generic name of socialism?

This question involves another, the answer to which is essential to the argument of this paper—What is socialism?

With the nihilist and the anarchist, who claim

places in its ranks, it means literally destruction and chaos, for nihilism has no sense as understood from its Latin derivation, except as embraced in the word annihilation, and anarchy means the reduction of everything to a chaotic state, which would result in about the same consequences. But this is merely insanity, and we cannot reason with maniacs. The only conceivable ground for such organizations is that men who support such fiendish doctrines, look upon the methods adopted by professional artists in that line as the best practical way of gaining social equality by spreading terror throughout the community.

The logic is something like this: If we strike people with terror by frightful assassinations, either individually or collectively, by the knife which takes the life of the lamented Carnot, or spreads death or mutilation in an assemblage at the theater or a restaurant, we diffuse terror among the people, and the more terrible our methods and the more numerous the examples, the sooner we shall force society to rectify the inequalities for which it is responsible.

The nihilist, who seems to be strictly a Russian product, probably confines his attempt to an effort toward the reconstruction of the government, but the anarchist seems to be the foe of all mankind. In either case, it is probable that I have stated the real motive which governs these destructive agencies. If so, they have a definite object in view, and it is applied by anarchists to society in the same sense. So in the one case terror is expected to compel a modification in the form of government, and in the other a reconstruction of society. The fallacy of this idea

can be easily proved, and this I propose to attempt, but it is first necessary to continue the analysis of socialism in its milder aspect, in which form all its real strength is concentrated.

Eliminating the murder element, we have a large body of socialists impressed with the idea that there is something wrong in the social status of mankind which compels or allows one portion thereof to exist in poverty, or under conditions which require incessant toil to provide even the necessaries of life, while the other portion live in luxury and wealth, or in circumstances of comparative ease and comfort. "This is all wrong," says the moderate socialist. "There is enough in the product of manual labor in the world to give all of its inhabitants a comfortable living, and if labor had its proper share in the distribution of this product, suffering among the toilers would cease and mankind as a whole would be the better for it. Here on the one hand, are people rolling in wealth, who command our services and enjoy the fruits of our labor, while we get but a scanty share of this product, and, even then, endure hard work and undergo many privations."

Without attempting to cover the whole ground of complaint, I have probably outlined the substance of the socialistic idea which seeks to combine the interests of labor against those of capital, and to promote an antagonism which seeks by unjust methods and by force to accomplish its purpose. The fallacy of this proposition I hope to show and to point out the only intelligent and practical way of solving the problem so far as its solution is possible.



In the first place the assumption that antagonism exists between capital and labor is not warranted in any sense of hostile interests, nor can it be thus represented except by a distortion of terms, which places employers always in the ranks of capital and employees in those of labor. A vast majority of the employers of labor are not capitalists but men working, in their way, as hard as day laborers to provide for their families and to accumulate enough to keep them from want. They are borrowers of capital and not lenders. This applies not only to individual employers but to corporations, which by a fiction of the imagination are represented to be monsters of greed fattened upon the spoils of humanity and rolling in wealth. These corporations are the largest borrowers of capital, as everyone knows who has given the subject any real attention, and it is equally well known that a large majority of the capitalists or lenders are the thrifty laboring people who have invested their surplus earnings in savings banks, or who are themselves holders of the stock and bonds of these corporations. Are these the capitalists against which labor is so ostentatiously arrayed? Who own the bonds of states, counties, cities and towns? Ask the savings banks. Who own the bonds and stock of railway and manufacturing companies? Consult the stock lists and the bond registers. Not that so-called capitalists may not own largely in such securities, that is a matter of course, but the great bulk of such property is owned by the middling, well-to-do classes and the labor interest, which last represents an enormous capital. And, therefore, as labor cannot intend to antago-

nize itself, I infer a gross misconception on the part of socialists who dwell so much upon the tyranny of capital and the slavery of labor.

The only question really involved in the discussion is that of an adjustment of the relations between employers and employed, which might place the latter upon a more equal footing in sharing the profits of labor, and it is in the consideration of this question that the leaders of socialism commit their greatest errors. Employers of labor, whether in corporate or individual capacity, are governed, mainly, by one leading object, that is the prosperity of their undertakings. It is, of course, possible, in the pursuit of this object that the employer may exact too much of those he employs, but the most influential factor in the adjustment of wages is competition. It requires but little sagacity to arrive at the conclusion, that if a manufacturer finds he cannot sell his goods at a profit, he must either stop his manufacture or decrease the cost of his fabrics, and if the raw materials cannot be secured at lower prices the reduction, if made at all, must come in wages. This rule applies to all industries and to all transportation agencies, modified only by the different character of the industry. Now, here is no question between capital and labor, but between the conditions of industry and the conditions of the market. It is sometimes the result of excessive competition and consequent over-production, or of bad legislation, or of both, and sometimes the unwelcome phase in industrial evolution is the consequences of a commercial or financial crisis, which, for a time, puts the business machinery of the world out of gear.

An industry may be followed for a time even at a loss to the proprietary or employing interest, because loss in some shape is sure to result from stopping machinery and disorganizing the forces which direct it, and it is often better to suffer temporary loss than to abandon the field of industry, if the adverse current is but an eddy which can soon be passed; but if protracted losses threaten the industry it will come to an end, or it will adjust itself to the new conditions forced upon it.

The easiest way would be to restore market prices for goods; but this is clearly impossible, unless by legislation we can compel people to increase their consumption of food and raiment. Advocates of the paternal system of government which is to take charge of everything may see a way of arranging such matters, but such experiments have always proved futile in the past, and in all human probability will be equally impracticable in the future.

If the cost of the fabric is made up between raw materials and labor, the reduction must come in one or both, and in either case it falls upon labor somewhere; for if raw materials decline beyond a certain point the production will cease unless the labor employed in it is reduced. We meet these difficulties in several ways. First, we curtail the production; second, we try to stimulate the consumption by lower prices; and third, by a reduction in the cost of production, which involves lower wages. There is no escape from the trouble by any avenue known to man, unless the road to Utopia is open.

It is, therefore, in the adjustment of the relations

between employers and employed that the true remedy is to be found, and this method is the groundwork of the coöperative idea. How can an adjustment be successfully carried out which will place employers and employed upon a more equal footing, so that if adversity comes it may be equitably distributed?

Socialism in the abstract is as old as authentic history. It was discussed by the Greek philosophers, and especially by Plato, and may be traced through the intermediate centuries down to the present day, not only in theory but in practice, although the theoretical has naturally absorbed the most attention; it is so much easier to preach than to practice. It may be asserted, too, without fear of contradiction, that all experiments of a practical character, except those of the present century in a coöperative way, some account of which I have given, have been dismal failures except in the small communities which are still in existence and which are essential modifications of the original socialistic idea and which, to some extent, involve religious creeds. Plato's Republic, the Italian Campanella's Civitas Solis, Sir Thomas More's Utopia and the works of Harrington, Hall, Fenelon, Defoe and Bacon, as well as those of Louis Blanc, Auguste Comte and Stein of the nineteenth century, are all ideal pictures of society, in which the writers indulge in the delights of fancy. Bellamy's "Looking Backward" is an interesting imitation of More's Utopia. The teachings of Robert Owen and Fourier were accompanied by practical experiments, the results of which demonstrate the fallacies of the ideal. The Brook farm in Roxbury, Mass., was one of the Fourier ex-

periments of modern days and some of its members are still living to attest its impracticability.

From the mass of evidence furnished by these failures in the practical, and in these exaggerations so evident in the theoretical, what should be the logical deduction? Are we not led irresistibly to the conclusion that the failures to reconstruct industrial relations are the consequence of the attempts to improve or violate natural laws? On the other hand, in the examples of a successful application of the coöperative idea adjusted to existing conditions of human life, as illustrated by Leclaire and Godin in France, by Dolge and others in the United States, and by the relief departments established in some of the railway systems of the world, do we not find forcible arguments in favor of such movements as the wisest solution of the social problem known to our limited intelligence?

We know that the subject of social reform has been pondered and discussed in every aspect, at intervals, for more than twenty centuries by some of the best intellects of the time, not without profit to humanity perhaps, but certainly without bringing the results which were fondly dreamed of by the advocates of changes of an utterly impracticable character; not without profit, I say, because great progress has certainly been made in the social status of man, and some part of this may be fairly claimed as the outcome of the teachings to which I have referred, but still we know that the improvement has come upon different lines and by methods greatly at variance with the theories of most of the teachers. The inference to be drawn from this is, I think, that modern methods have

been adapted to the actual conditions of society and have been applied in a practical, commonsense way, instead of attempting experiments founded upon Utopian dreams or upon the imaginative backward glance of generations yet to come.

If we consider some of the remedies proposed by socialists of the reasonable school, how weak they appear when we follow the various propositions through the phases of a practical experiment. Take an illustration from the very interesting book of Mr. Henry George called "Progress and Poverty," and however much we may differ on some points in his postulate, yet how strong and intelligent it is compared to the remedy he proposes. Who could have anticipated so pitiful a conclusion from such a powerful display in the preliminary preparations? And thus it is with all schemes which do not take into consideration existing conditions. Mr. George's book has had a very large circulation because it is a plausible and vigorous presentation of one side of the case, but his remedy in the shape of a single tax has but few supporters, simply because in the nature of the case it is utterly impracticable.

Examine the theory of "paternalism" or government control, which some believe to be the true remedy for social inequality, and which forms the basis of Mr. Bellamy's argument—how discouraging and degrading it appears when we contemplate the surrender of personal independence involved and the sacrifice of competitive intelligence which the plan compels. Has mankind struggled against governmental control over individual action, beyond the en-

forcement of salutary laws, and accomplished so much for personal liberty to listen with tranquillity to a proposition to return to government the functions which do not legitimately belong to it? Is it possible in the nineteenth century to find men who are willing to become automatons to dance when government officials pull the strings? The only proof offered in favor of paternalism or government ownership is in the fact that the national government owns and controls the railways and telegraph in some countries and that cities own and control water works and in some instances gaslight works. This is true, but not a solitary case can be given where this ownership and control have proved superior to individual ownership. In fact, as to the railway and the telegraph, the evidence, upon the whole, is against the experiment. As to railways, Australia furnishes an opportunity for investigation and comparison which I fear the advocates of paternalism will not avail of. A thorough examination of that experience would be of unusual interest. But the most bewildering part of these essays as to the proposed governmental control is to be found in the plans of acquisition. One method is to take possession under the right of "eminent domain," which may be practicable, but as this involves damages, the financial question is no nearer solution under that process than before. Another proposes the issue of government bonds at an interest of 3 per cent on a fair valuation or a guarantee of a consolidated stock at that rate of interest, all of which reads well so far as it goes; but when the advocate begins to figure on net earnings and to calculate the interest on that basis he forgets

the difference in mortgage bonds which are contracts and stock which depends on surplus earnings. It never seems to occur to the theoretical essayist that railway mortgages might be an obstacle to "eminent domain" unless provided for under the terms of the contracts.

But these discussions are idle. If it is desirable to obtain the ownership and control of railways and telegraph for government, it can be accomplished by fair means, but never by fraudulent or unjust legislation. Under present circumstances railway companies no doubt would be willing to arrange a transfer of ownership if such a change should be demanded by the people; but it would be premature to fix the price or to arrange the terms until the popular voice calls for the transfer. In the judgment of the writer this project has no substantial support outside of lecture rooms and debating societies. We may safely conclude that the entire scheme of paternalism is a nostrum for the cure of social troubles, recommended only by theorists who have not given the subject thorough study. It seems to be waste of time to dwell upon these crudities of speculation. If the social status of the world is to be improved, the way should be simple and the method equitable and practical.



## CHAPTER VIII.

### DISTRIBUTION PRACTICALLY ILLUSTRATED.

During the period of the peasants' revolt in England in 1347 to 1361, John Ball, "a mad priest of Kent," as Froissart calls him, preached to the poor, and for twenty years kept up the propagation of his peculiar ideas, always attracting large audiences in spite of interdict and imprisonment. Green's History of the English People gives the following quotation from one of his sermons:

"Good people, there will never be well in England, so long as goods be not in common, and so long as there be villeins and gentlemen. By what right are they whom we call lords greater folk than we? On what grounds have they deserved it? Why do they hold us in serfage? If we all came from the same father and mother—of Adam and of Eve—how can they say or prove that they are better than we, if it be not that they make us gain for them by our toil what they spend in their pride? They are clothed in velvet and warm in their furs and their ermines, while we are covered with rags. They have wine and spices and fair bread, and we oat cake and straw and water to drink. They have leisure and fine houses; we have pain and labor, the rain and the wind in the fields. And yet, it is of us and of our toil that these men hold their state."

Here we have, expressed in our own language, more than 500 years since, substantially the same complaint as that made by the modern socialist near the end of the nineteenth century. So far as John Ball described the condition of the working classes at the time, as compared with that of the wealthy and middling, well-to-do classes, he spoke the truth, no doubt, just as the socialists of our time may give a correct idea of the social inequalities of the present day, and exactly as anyone may describe the existence of extremes in wealth and poverty—the comfort and luxury of the one and the privation and distress of the other—but the difficulty in these cases is that like a physician they may correctly diagnose a disease, but having arrived at that point they not only fail in prescribing a practicable remedy, but they mislead people in attributing the cause of the disorder to classes in the strata of humanity who are no more responsible for it than those who suffer most from it. Hence, John Ball may have preached the truth when he described the inequalities which existed, and he may have enlisted the sympathies of fair-minded people for those who were unfortunate enough to be obliged to live on “oat cake and straw and water to drink,” or who are “covered with rags” while others “have wine and spices and are clothed in velvet and warm in their furs and their ermines;” but when we, perhaps, admit all this and ask for the remedy we are told that there will be no “well in England so long as goods be not in common.” In other words, John Ball’s remedy was confiscation of all property rights and redistribution that goods may be “in common.” The preacher of the

fourteenth century it therefore appears could only find a remedy for the inequalities of society by robbing not only those who "wear velvet and drink wine and spices," but those who are moderately comfortable in their circumstances. So John Ball wants to adopt procrustean methods and regulate the physical and mental conditions of humanity by a machine, which, by cutting down or stretching, will make people of equal length, or by squeezing or inflating will make them equal in bulk. In modern times this healing process is called "paternalism." And so John Ball excited the hostility of the poor against the rich and against the middling class by exhibiting them as the responsible authors of the inequalities he describes. The result was riot and bloodshed, then suppression and greater suffering for the time.

The modern socialist of the violent or energetic school advocates the same idea as that which penetrated the mind of the mad preacher of Kent, but disguises it in a robe of universal benevolence, sometimes advocating robbery of classes under the form of legal confiscation, but more generally in propositions to acquire by compensation certain kinds of property to be held in common, through government. The schemes of acquisition, as we have shown in regard to railway property, are mostly crude and impracticable. Thus, when injustice and robbery are not the basis of establishing an ownership "in common" the schemes resolve themselves into utterly impracticable methods, as idle and foolish as are the schemes of the populist school to revolutionize finance.

It did not seem to enter the head of John Ball any

more than it seems to occur to modern socialists of the extremist order that a condition of inequality, which has existed for ages, may be largely owing to the natural inequalities of mental and physical organization of human beings, for which no mortal can be held responsible, and partly to the prevalence of vice, for which certainly the vicious are more responsible than the honest and virtuous. They depict the evils truthfully in most cases, but they turn as if by instinct to the classes who are not in the lower stratum of society, not to ask their sympathy and co-operation in efforts to remove or at least to mitigate conditions which all deplore, but to say to them: "You must be stripped of what you have acquired by your industry and commendable conduct in the world, or of what you may have inherited, to relieve those who are either unfortunate, idle or vicious. Why? Not that you are responsible for the circumstances, but because you happen to be more able or more industrious and more temperate, or because your fathers were before you." And this glorious reward of merit is their great panacea for the cure of a disorder which is to a large extent incurable by a decree of nature beyond human control.

John Ball's remedy was tried two thousand years since by the Gracchi in the Roman Republic, and socialistic doctrines of this character were about as well illustrated in the theories and practice of the two ill-fated brothers as in any of the numerous examples since. The study of these social experiments is interesting and instructive, but is open to the students of history and is doubtless familiar to most of our

readers. The first impulses of the brothers Gracchus were noble, as they contemplated relief to the poor and down-trodden, and they were popular because they appeared to be in the direction of improvement and reform. Corruption was then, as now, too widely prevalent, and such abuses of public trust were sapping the vital forces of the republic; but the brothers were not content with salutary measures of reform. They were led on by ambition to unjust and illegal schemes which were in direct conflict with the principles which at first governed their conduct. Hence they failed. But the point to which I desire to call attention is to the terms of the agrarian scheme which Tiberius, the elder brother, carried, in the revival of the Licinian law. The land taken for distribution was paid for by the state. No one, even at that remote period, dared to propose confiscation to carry out the scheme. In this respect some of our modern socialists who justify robbery for the public good could take useful lessons of the Gracchi.

But the fatal defects of the "property in common" remedy are immediately exposed when the propositions are followed out in a practical illustration. The theory of distribution of property as a remedy for inequality of condition is ingeniously and thoroughly worked out by Mr. W. H. Mallock in a work recently published entitled "Labor and the Popular Welfare." Mr. Mallock first takes income as the basis of distribution, as in this form only is division possible. The gross income of the United Kingdom of Great Britain is computed to be in round numbers thirteen hundred million pounds, but a considerable amount of this is

counted twice as taxable income, which of course would not be available for distribution. This amount is estimated at one hundred million pounds. Deducting this, the amount available would be twelve hundred million pounds. The sum distributed annually to the 38,000,000 of population in equal proportion would give to each individual £32, or at \$4.87 to the pound sterling, the sum of \$155.84. But, as Mr. Mallock says :

“This sort of equality in distribution would satisfy nobody, for a quarter of the population are children under ten years of age and nearly two-fifths are under fifteen, and it would be absurd to assign to a baby sucking a pap-bottle, or even to a boy—voracious as boys’ appetites are—the same sum that would be assigned to a full-grown man. In order to give our distribution even the semblance of rationality the shares must be graduated according to the requirements of age and sex.”

To meet this objection Mr. Mallock thinks :

“We cannot go far wrong if we take for our guide the amount of food which scientific authorities tell us is required respectively by men, women and children, together with the average proportion which actually obtains at present both between their respective wages and respective costs of their maintenance. The result which we arrive at from these sources of information is substantially as follows, and every fresh inquiry confirms it : For every pound which is required or received by a man fifteen shillings does or should go to a woman, ten shillings to a boy, nine shillings to a girl and four and six pence to an infant.”

Mr. Mallock now takes the family as the proper unit, estimating the average at four and a half for each family, and the number of families in the United Kingdom he estimates at eight and a half millions. A distribution of the twelve hundred millions of gross income would therefore give to each family £140; but from this it would be necessary to deduct taxes for national expenditures, which is estimated at £16 per family. This would give to each family a net income of £126, or the equivalent of \$613.72, at \$4.87 for each pound sterling. Under the apportionment before stated each man would thus receive £50, or \$243.50 per annum; each woman £36, or \$175.32; the youth £25 pounds, or \$121.75; the girl £24, or \$116.88; while the one-half would receive £5, or \$24.35.

Mr. Mallock's next calculation is to show what this distribution of the whole wealth of the country would yield weekly to the entire population, and the result is that every adult male would receive about 22s., or \$5.36 per week; every adult female about 16s., or \$3.90; "but," adds Mr. Mallock, "a bachelor who is earning the former sum now or an unmarried woman who is earning the latter would neither of them, under any scheme of equal distribution conceivable, come in for a penny of the plunder taken from the rich. They are already receiving all that on principles of equality they could claim."

Mr. Mallock's interesting calculation is worked out elaborately and should be read by everyone interested in the subject under consideration. A chapter of this kind which deals practically with a question so peculiarly attractive to the masses of the people and which

is used with so much effect by labor agitators is worth a volume of the superficial speeches of socialistic orators or of the Utopian romances of the day. The striking feature of the calculation is in the mathematical proof that the entire income of a nation which could be made available for distribution among the people upon terms of exact equality, or upon terms which would seem more in accordance with just considerations, could not be made to yield to the majority of the working classes any more than they now receive, while a very large number would be obliged to pay over a surplus from their present earnings. This point will doubtless be understood by most of my readers; but to make the matter perfectly clear we must bear in mind that the aggregate income of the nation embraces the entire earnings of all classes, as well as the rentals and profits of all estates and industrial works and of all profits in trade. From this is deducted the expenses of government, which is represented in taxation. It follows, therefore, in the equal distribution, that all who now earn or receive more than the share allotted in the distribution would be obliged to surrender that surplus. Thus if the allotment to each individual was \$600, about the amount allowed to families, and the individual actually earned \$900, he or she would be obliged to surrender \$300 of that sum to make up the deficiency of others. In this way he would be contributing to the support of those who could not or did not earn the sum given as the average amount available for distribution. The competent workman might not object to the contribution if it seemed necessary to relieve the



unfortunates of the world, but if his superior earning capacity was to be devoted to support the idle, dissolute or vicious, he might possibly object to such an appropriation of his talents and industry. Therefore, Mr. Mallock's view of the matter is entirely correct when he says :

“But an equality of this kind, from a practical point of view, is worth considering only as a means of reducing it to an absurdity. Even were it established to-morrow, it could not be maintained for a month, owing to the difficulty that would arise in connection with the question of children ; as unless a state official checked the weekly bills of every parent, parents inevitably would save out of their children's allowances ; and those with many children would be very soon founding fortunes. And again it is obvious that different kinds of occupation require from those engaged in them unequal expenditures ; so that the inevitable inequality of needs would make pecuniary equality impossible. Indeed every practical man in our own country owns this, however extreme his views ; as is evidenced by the amounts which have been suggested by the leaders of the labor party as a fit salary for a paid member of parliament. These amounts vary from three hundred pounds a year to four hundred pounds ; so that the unmarried member of parliament, in the opinion of our most thorough going democrats, deserves an income from six to eight times as great as the utmost income possible for the ordinary unmarried man. And there are many occupations which will, if this be admitted, deserve to be paid on the same or on even a higher scale.”

The distribution of income as stated by Mr. Mallock in the first proposition, it will be observed, is that which would generally be adopted by anyone wishing to apply the principle of equal distribution according to the total amount of income and the total of population ; but it is quite evident that this division which would embrace the unproductive classes, such as children of tender age, the aged and infirm, as well as the indolent and dissolute, will be dismissed at once as not only unjust but impracticable, for it would put upon a common level all humanity without regard to age, sex or condition. This, it will be admitted, I am sure, would be intolerable. Therefore the method of distributing by families, as adopted by Mr. Mallock, is probably the best way of applying the principle of distribution. But even under that method, as I have tried to show, the results would be acceptable to no one, and least of all to the skilled workingmen who are the largest wage-earners.

The calculation made by Mr. Mallock for Great Britain can be easily worked out in this country, although, perhaps, with less accuracy as to the figures, as the income tax of Great Britain furnishes trustworthy statistics, as officially compiled. After the income tax becomes operative in the United States we shall have a basis of calculation, and it is to be hoped that the advocates of "paternalism" or a general distribution of property will work out the problem in the same practical way as Mr. Mallock has adopted for his application of the income of Great Britain. One thing we may conclude, I think, with reasonable certainty, and that is, that under any system of distribu-

tion our labor leaders, or our "paternalism" writers may propose, the first to object will be the best men of the working classes, who will be called upon to surrender the advantage which their own ability has secured over those who are naturally less competent, or who are unable to earn average wages on account of indolence or bad habits. Fancy the scorn of the capable engineer or fireman, conductor, trainmaster, telegrapher, etc., of a railway company, earning say from \$800 to \$1,200 per annum, being called upon to surrender \$600 or \$400 in each year to even up incomes with men having large families, or with men of inferior capacity, or bad habits! Or carry the method into all industries and all pursuits in the country and imagine the placidity with which the proposition will be received by the men who have the most influence among workingmen, and who are, in fact, their great source of strength.

We may safely challenge the socialists to work out this problem, but unless they are willing to do it, they should have no influence upon public opinion, whatever. On the other hand, if they can prove such writers as Mr. Mallock wrong, and can by figures demonstrate the great good they would be able to accomplish, their arguments would have great force.

But the socialistic scheme of distribution has another feature to which I have several times alluded, which is fatal to their theories, even more so than in the impracticable idea of the distribution of property. This is displayed in the sacrifice of individuality, in the overthrow of personal independence and personal ambition. If there is any single element in the com-

position of humanity, which contributes to the progress and improvement of the civilized world, it is in that feeling which stimulates the individual to the highest development of his mental and physical capacities, and which we may properly call ambition. It is the keynote of human exertion ; the incentive to personal effort toward superiority in the various pursuits of life. It implies in its proper exercise the highest order of mental development and the display of the most noble attributes of man. Deprive a community of this strong inducement, and it would inevitably become inert and unprogressive.

Imagine the effect of a proclamation which should declare that henceforward, as man was born free and equal, all human beings will be under the protection of the government and treated exactly alike, be entitled to a pro rata share of the net income of the whole nation, either as individuals or by family groups as the unit of distribution. What would be the effect? Men who lead in the march of progress now have a definite object in view ; they are either seeking comfort and independence for their families or wish to obtain distinction in their occupations ; but here is a proposal to change the entire plan of life. The skilled mechanic would no longer feel the necessity of exercising his brain upon labor-saving devices or upon ingenious methods of making life more comfortable or more safe, expecting the reward of a successful application of his intelligence ; the professional man would not find any special advantage in acquiring superiority, and the whole community would at once be transformed into an endless chain

of humdrum, perfunctory agents, going through routine work as parts of a great machine which distributes its products equally to the genius and the dullard, the active and intelligent and the indolent and sluggish; to say nothing of morals and habits.

What a picture of human degradation the proposition presents in such a revolution in human methods, where the faculties which are inborn or which are developed by persevering effort are ignored in the plan of forced equality, except as a part of the machinery which, while it raises the lowly, depresses the gifted until they occupy the same level.

If there is any system of human slavery under which the slaves are well treated, well nourished and well sheltered, which is or can be more demoralizing in its influence upon humanity, or which can more effectually check the aspirations of intelligence, destroy the progressive influences of civilization and stop the advance of the human race, I am not acquainted with it. If "paternalism," as I have understood it, is not slavery in the sense of robbing man of the free use of his own faculties, first by taking what he has acquired, and then by appropriating the fruits of his labor, whether mental or physical, for the benefit of others through the agency of the master, which in this case is government, it certainly is not freedom. In fact, it will be found, when thoroughly analyzed, to be quite as objectionable as any serfage the world has ever seen. Human intelligence revolts at such projects to stifle man's noblest aspirations. Under such treatment broad intellects will become lilliputian in dimensions and a cloud of degradation will settle down upon humanity.

## CHAPTER IX.

### SOCIALISM.

The practical illustrations given in the previous chapter must, I think, satisfy all men of ordinary intelligence that schemes of making government the agent of forcing equal conditions in life are as idle as they are impracticable; to say nothing of the fundamental injustice of such wild plans.

Theoretically we are born free and equal in this country, so far as our form of government can control in the matter; but in reality men and women although born free are never equal physically or mentally. Some come into the world with feeble constitutions and others are much inferior in mental calibre. It is, therefore, a fiction of the imagination to assume an equality which does not exist and which never can exist, simply because the creator of all things has decreed otherwise. That is, all are born free but the moment individual faculties begin their influence, each one, according to his or her endowment in that respect, begins to work for superiority and attains it or not according to the mental and physical conditions of the individual.

This is not only true, but it is the only tolerable condition of human existence. Competition in the various occupations of life, the development and growth of the highest and best qualities of human in-

telligence, are indispensable to the permanence, stability and prosperity of communities. The only practical method available, under which social conditions can be improved, is to make the competition fair and to see that the paths are equally open to the competitors.

I lay but little stress upon the fact that great inequalities of fortune exist in this country. Suppose a man to have accumulated or to have inherited one of those colossal fortunes which carry apparently so much power and influence to the possessor, what great advantage has he over the man who has a fair competence? In the first place, he is obliged to work constantly in the care and employment of the capital in his charge and this capital is necessarily in use in all kinds of industry and in every species of enterprise. It cannot remain idle and the owner is actually employed to that extent in providing occupation for thousands. The capital itself is just as much in use for the benefit of the people as it could be were it held by five hundred persons instead of one. Where then, is his great advantage and where the great disadvantage of the people? A man can live in greater luxury, in fine houses, and in relative splendor, in a superficial point of view, but even in the indulgence of these superfluities he is obliged to distribute his wealth, and in point of real comfort he is no more favorably situated than the man who has enough to secure moderate home comforts for himself and family. Luxury is neither beneficial to real happiness nor to health, and if it proves detrimental to health, there is an end to happiness. Beyond the personal

luxuries, to which I have referred, what possible advantage can the millionaire possess over the man who can provide comfortably for himself and those who are dependent upon him? If he lives a life of pleasure, he distributes diffusely as he goes. If he seeks to accumulate he must employ his money in the industries of the world, and it serves in this employment exactly as it would if owned by many instead of one.

The very rich man, unless a practical philanthropist, is simply the slave of his fortune, if he seeks to enlarge it or even to keep it safely and moderately productive. In many instances where large fortunes have been wisely administered, the owner is a real benefactor to the human race by his influence in promoting the enterprise and industry of a community, and in such cases it is open to reasonable doubt whether the capital would serve as good a purpose if held by several hundred instead of by one.

In this connection I do not hesitate to express the opinion, that it is a positive disadvantage to a young man in this country to be born to wealth, and, on the other hand, it is generally an advantage to be born poor. I do not mean by the word "poor" to claim that an abject or miserable condition at birth is desirable or beneficial, but that it is far better for all young men, in good mental and physical condition, to begin life with the conviction that they must depend upon themselves alone for success. A young man, therefore, who can secure a fair education, and in securing it with difficulty is taught the necessity of self-culture, self-exertion and self-reliance, is far more



likely to succeed in this world than one who has been reared in luxury and ease, and who has been made to know from boyhood that he will succeed to wealth. In the former case the young man, if fairly endowed with intelligence, will be stimulated to every exertion and will generally succeed, while, in the latter, the chances are that the young man who feels that he is independent will lead at least a passive life. It does not necessarily follow that the young man of independent means will be idle or useless in the world, but the difference in the two positions is enough to stimulate to great effort in the one case and to tempt to an easy life in the other, to say nothing of the allurements of a life of pleasure open to the young man of fortune. From the class which is obliged to work for success come a large proportion of the men who attain distinction in life, such men as Abraham Lincoln and James A. Garfield, who from humble circumstances elevated themselves to the highest station in the people's gift.

In no other country in the world are the paths of distinction so open to the men of persevering energy, who are disposed to compete for success in whatever they undertake, and nowhere is it more evident that in order to develop his best faculties man needs an incentive to prove his qualities as a man. If it is in him to develop mental strength and superiority it will appear under the stress of necessity, whereas without the incentive the individual might move through the world unnoticed and unknown.

I think there can be little or no difference of opinion on this point of the relative exertions of a poor

young man and one who feels well provided for without special effort on his part, and if this is true why should we envy those who in the possession of wealth are led into the error of idle and useless lives? But even admitting all that has been urged in favor of the advantages of comparative poverty, and believing that the majority of our successful men come from the ranks of those who are compelled to work out their own destinies, I would not change the conditions of society an iota in the direction of stifling proper ambition to acquire wealth and distinction. The stimulus to effort must remain, or, as under the deadening influence of "paternalism," men would sink beneath it to the depths of apathetic irresponsibility. It would be like taking the element of hope from our lives.

In a country where there are no laws of primogeniture or entail these great inequalities of fortune naturally regulate themselves in two or three generations; first, in distribution or division by inheritance, and second, by the different methods, habits of life or tastes of successive generations which come into possession. Then, again, the desire to accumulate generally ceases, and the income finds its way to the people more liberally. Looking at the subject in its various aspects, I cannot see the dangers which many think they discover in the accumulation of large fortunes in this country. If a man simply hoards his gain as a miser adds to his secret stores, keeping his wealth from general employment, he is a useless member of the community, and his accumulation is injurious to the extent he is able to withdraw capital from

active employment, but such cases are rare and the actors are victims of a mania akin to insanity. The accumulations of misers who secrete their gains are not, therefore, under discussion, because their methods lack common sense and can never prevail to any appreciable extent. As a rule, men of wealth must always keep their capital employed, and in this employment it contributes to the support of the whole community just as certainly as if it were held by many instead of one.

Returning to the most offensive forms of socialism, as illustrated by anarchists and nihilists, I feel quite sure that their doctrines would be instantly repudiated by a vast majority of those who favor some of the leading features of socialism, but it is nevertheless a fact that professed anarchists often lead in the socialistic ranks and generally claim affiliation with that body. We can be all the more confident that socialism will deny any connection with anarchism, because all men of intelligence must conclude that those who advocate murder, as a method of improving the social status of the people, are necessarily obstacles to progress. The idea that terror can accomplish any change in social matters which would be considered a gain to humanity is too absurd for discussion. The effect of violence and outrage is just the reverse. If danger to life is threatened, if the security of property is attacked, or if mob rule is substituted for law and order, the sure result in either case is the stern and rigid repression of an evil which strikes at the foundations of government. If we search history for examples, we find that murder, violence and destruction are always followed

by a reaction which sweeps the invaders of law and order from existence and reestablishes government on a stronger basis than before, even if the change involves a restriction of the popular liberties enjoyed before the outbreak.

Assuming that nihilism aims at the destruction of autocratic government in Russia, we may ask what advantage it has gained in that direction by the perpetration of murder and of its many outrages so destructive to the security of life and property? Alexander II. fell under nihilistic bombs, after he had emancipated the serfs and while disposed to extend the liberties of the people. Was the assassination of a liberally disposed monarch of this character a gain to the people of Russia? Do we not know that the effect was just the reverse? If the voluntary adoption of more liberal measures on the part of an absolute government is followed by conspiracy and murder, what can be more certain than the exercise of the power of repression in a more offensive way? And if all overtures in the direction of a more liberal government and greater popular freedom are met by combinations of murderous thugs, which serve to keep society in terror or anxiety, is it not a natural consequence that the great body of the people, in which the real power lies, will seek the protection of a stronger and more centralized government? One of the greatest obstacles to the growth of popular government and to the preservation of peace in Europe is the maintenance of immense standing armies at the expense of the people. Is it reasonable to expect that such organizations will be abandoned by a govern-

ment, or even by its people, while assassination and mob violence threaten to destroy security ?

It is safe to assert that every act of violence perpetrated by the fanatics of nihilism and anarchism has contributed to the postponement of an extension of the liberties of the people. So far as force has been employed to carry out pretended or even real reforms they have not only been utter failures, but, as a matter of fact, they have greatly retarded social progress and have virtually checked the introduction and perfection of enlightened and liberal measures of reform.

It is strange that the lessons of recorded history, often repeated, with all the consequences of such mad experiments, should not teach men of even limited education the folly of schemes which contemplate either the suppression of independence in man, or utter extinction of his progressive intelligence and ambition, or the destruction of law and order and the substitution of mob violence and robbery. It is not strange, however, to find that large bodies of the people who do not know that the fallacies of extreme socialism have been repeatedly exposed by actual trial, are constantly being deluded by the specious reasoning and tempting propositions of crafty and designing men. It is an alluring picture to the sons of toil, and to those who suffer the hardships of poverty, to draw the outlines of a government which is to take supreme charge of all the machinery of man's daily life, gather into its paternal hands all the goods and all the industries of the people, regulate their employments, provide for their sustenance, furnish their habitations and minister to their enjoyments. If it

were necessary to convince inquiring minds by citing examples in history, many would be astonished to find that socialism of the present day has developed little that is new in theory or practice. Stretching through a period of nearly two thousand years, beginning at a date when history ceases to be merely traditional, or, at least, of doubtful authenticity, we meet with numerous experiments, sometimes in forms of government, from monarchical to republican, and from absolute to limited authority, and sometimes in the structure of society. Agrarian schemes for the distribution of land, confiscation of treasure and church property for the benefit of the state, persecution and legalized robbery of the Jews, cheating people by debasement of the current coin, ruinous taxation to destroy one interest for the benefit of another, revolution and reform carried through with cruelty, oppression and bloodshed, ending in despotism and misery. "Liberty, equality and fraternity," as understood by the mob and carried out in the murder of countless thousands of innocent human beings, regardless of age or sex—all these crimes which dot the pages of history from the Christian era to the end of the eighteenth century have been perpetrated by men under the banner of progress and reform, and they prove in every instance the wickedness and folly of movements to change the social status which are founded upon selfishness and injustice. The underlying principle in a large majority of these schemes was an improvement in the moral and social condition of the people; sometimes in the enforcement of religious dogma, sometimes to remove the inequalities

of fortune and sometimes upon the plea of enlarging the freedom of the human race; but always upon some pretence of improvement which would contribute to the relief and benefit of the oppressed and suffering classes. Thus in the instigation of such movements popular support was secured by the promise of changes in the social status which would benefit the poor and oppressed by depriving the ruling classes of power and stripping them of wealth. The temptations offered by such schemes have often proved irresistible to people who are prone to attribute their poverty and suffering to the imperfections of social organization. In this way people have been led to measures of extreme cruelty and injustice, in the belief that they were carrying out desirable reforms, while utterly blind to the consequences of wrongs which, if perpetuated, would destroy peace and good will throughout the civilized world. It is not difficult to understand how large numbers of the people are influenced to the commission of acts equivalent to robbery and assassination when the arguments of extreme socialism are presented to suffering humanity in the form of a remedy for recognized evils, and it is quite as comprehensible that social reformers are able to persuade themselves and their followers that they are working in a good cause as it is to conceive of the existence of men who have believed it to be their conscientious duty to enforce religious creeds and church dogmas by the burning and torture of innocent human beings; and yet we can account in no other way for the atrocious acts of religious bigots. The shocking cruelties of the Inquisition, the narrow-minded intol-

crance of Philip the Second and his instrument, Alva; the persecution of Protestants in France and England and the relentless measures, later on, in England against Catholics—all of these numberless examples of inhumanity have been furnished to the world by zealots in the cause of religion, while in the persecution of the Jews and Quakers we may trace the dominating influence of ignorance and prejudice even down to modern times, and give to an incredible superstition the responsibility of hanging for witchcraft, even in New England, the poor, innocent victims of a deluded and pitiless community. What can be more shocking to human sentiment in this enlightened age than to read of the pious conclusions of the reverend Puritan divines as to the guilt and punishment of these unfortunate creatures, hurried thus cruelly and ignominiously out of the world, with prayer and thanksgiving in the side scenes?

Such acts can only be accounted for satisfactorily upon the theory of a conscientious belief in the righteousness of their acts and convictions of duty. Any other conclusion would make the actors in these sad historical tragedies monsters of wickedness and cruelty. Shocking and revolting, therefore, as these deplorable events appear to us in the light of nineteenth century civilization, it is necessary to give full weight to the influences of the period and to the motives which governed the leaders of public opinion and the authorities which gave it expression.

These references to the dark pages of history are not made for the purpose of claiming them as the consequences of socialistic ideas or of holding social-



ism responsible for the commission of such terrible enormities, but simply to show to what fearful extremes men sometimes go in trying to force their own convictions upon others. They are striking illustrations of the exercise of blind and ignorant force and of the utter impossibility of obtaining permanent success in establishing alleged reforms by unjust methods and by the temporary control of power. Under such conditions the enthusiasm of martyrs meets successfully measures of cruelty and oppression, and in the end justice rules. But socialism represents ideas of reform and improvement in the conditions of society, and it would enforce the changes considered necessary to accomplish this purpose by legislation which would benefit one class at the expense of another and invade property rights essential to the liberty and happiness of the people. This can only be done by breaking the unwritten contract which the theory of a popular government implies, and establishing in its place partial and oppressive laws which must overthrow the fundamental principles of our declaration of independence and violate the guarantees of the constitution. In this point of view the forced adoption of the measures proposed by extreme socialists would resemble many of the historical examples given, not only in the confiscation of property, but in suppressing the independence of individuals in thought or action—an independence heretofore held sacred under mutually beneficial regulations. The superiority of our democratic form of government is supposed to consist in its guarantee of equal liberty and equal protection, and it was

adopted by a people which had fled from tyranny, bigotry and intolerance, and although the relics of superstition were found in the new world, even in the eighteenth century, and much intolerance prevailed among those who were fresh from the fatherland, these shadows upon the intelligence and character of the stern, brave race of Puritans were speedily removed as soon as the influence of old world prejudice and fanaticism lost its sway.

The moral to be drawn from these precedents in history is that all social laws which are unjust and partial in their operation must necessarily fail, under whatever pretext they may be established. Temporary success in such cases, secured by the action of a majority, is always delusive, because the just principles violated are essential to the tranquillity, happiness and prosperity of the people.

Thus, applying to socialism the theory of an implied compact which gives to each individual member of a community certain inalienable rights, the body politic must sacredly guard those rights or decide upon tyrannical measures which will carry it ultimately to destruction. And when, in disregard of the social compact, one class of the community seeks its own aggrandizement or to increase its own wealth at the cost, peril or disadvantage of another, in opposition to the letter or spirit of the equitable principles which governed the original organization, the seeds of revolution will have been planted and the harvest of retribution will be only a question of time.

## CHAPTER X.

### SOCIALISM CONTINUED.

In the preceding chapters I have tried to show fairly, and I trust successfully, that force, whether applied in the atrocious methods of nihilism or anarchism, or in the milder but equally unjust measures proposed by the more reasonable class of socialists through tyrannical legislation, is utterly inadequate to solve the problem of social inequality. It would probably require less argument than I have used to secure almost universal assent to condemnation of force in its murderous form, but to gain the support of the more reasonable and more intelligent in the ranks of socialism, I have endeavored to prove in a practical way the fallacies of schemes which contemplate the employment of force through legislative action, always available in a government of the people, but always dangerous to that government, if it ignores the fundamental principle of just equality essential to its permanent existence. The structure of a republican or democratic government rests upon a social compact which implies, if it does not actually guarantee to every individual, exactly the same rights and privileges, under that government, which any other individual possesses, and only in the careful preservation of these rights and privileges can popular government endure. It is always in the power of the ma-

jority, through their representatives in congress, to enact laws, even unjust and oppressive laws, and they may be obeyed by a law-abiding community; but such laws provoke immediate opposition and are sure of being repealed as soon as they are fairly understood. Meantime, however, they work an incalculable amount of mischief, from the effects of which recovery is necessarily slow.

In view of the very injurious effects of hasty legislation, it is the duty of the people, and of their representatives in congress or in state legislatures, to examine with great care propositions which involve radical changes in the business methods or social conditions of the country. Without taking sides upon the tariff question, for example, what can be more obviously injurious than frequent and radical changes in the policy which is to have an important influence on the business of manufacturers and importers? Admitting many imperfections in the McKinley tariff, would it not have been far more judicious to have brought about gradual changes by amendment, than to have suddenly reversed the whole system of import duties? And now that congress has adopted a new law, would it not be infinitely wiser and better for the country to give the law a fair trial for a few years before agitating its complete overthrow? If palpably injurious in some respects, proved to be so under trial, would it not be more intelligent to seek the remedy in some amendment rather than in a sweeping change? And so in regard to the currency, or to important financial measures, we have always found that hasty legislation brings great evils in its train, which might have been

avoided if the subject had been thoroughly and carefully examined.

The danger of hasty legislation is one of the greatest to which popular government can be subjected. Numerical majorities are often secured by political combinations and manipulation and questions are thus decided which, before adoption, should have had the most thorough examination and study. The consequence is an infinite deal of trouble which proves the folly of the legislation, and generally insures its repeal, but not until after it has cost the community dearly in its mischievous effects. In popular government the tendency is also to superfluous legislation, often displayed in an attempt to regulate commercial affairs which are governed by the unwritten laws of trade and which are utterly beyond the control of legislation. In all such cases legislation may destroy, but it can neither regulate nor control, except by this destruction. This assertion finds its justification in the operation of sumptuary laws which attempt to change methods of life which people consider in the light of attacks upon personal liberty. Such laws, if they interfere with personal habits, even if intended to improve the social condition of man, are always enforced with great difficulty, and such enforcement is but temporary. Sixty years since, smoking in the streets of Boston was forbidden by law, but five or eight years later it became obsolete, simply because public opinion condemned it as something with which legislation had nothing to do. It is universally admitted that intemperance is a great evil and that everything practicable should be done to diminish it,

but many contend that no progress toward reform, in this regard, has ever been accomplished by legislation of a prohibitory character. The regulation of sale is doubtless necessary, but all attempts to deprive one class of the privileges granted to another meet with determined resistance. The usury law is a good illustration of the folly of legislation which seeks to interfere with the natural laws of trade. For many years it remained a dead letter in New York State, and, until its repeal some ten or twelve years since, it served to hold up the ignorant and inexperienced members of the legislature from the "Wayback" districts as the laughing stock of the country.

All experience proves that popular government, to be permanent, must carefully guard equal freedom and equally fair treatment of all its citizens, and that whenever these fundamental principles are violated, upon whatever pretense, individual freedom, which popular government was intended to secure, is seriously threatened and the government itself is in danger.

The schemes of socialists which invoke legislation, almost invariably seek an advantage for one class to the detriment of another. This is a clear invasion of rights guaranteed in our form of government and in the constitution. The injustice of such measures should be sufficient to condemn them, but, if not, the practical operation of such laws will generally demonstrate their folly and the impossibility of enforcing them. Popular government is the result of a struggle against tyranny and oppression and it cannot be made the instrument of restricting individual liberty, or of

destroying those rights which are vital to the stability of the social compact which binds the people together in the support of true republican government.

I have in a previous chapter assumed that the great body of socialists—certainly the most influential part of them—would repudiate the schemes and acts of anarchists, but it is not the less true that this violent and offensive element claims alliance, if not identity, with socialism. A proof of this is furnished in the book of Prince Kropotkine, recently published in Paris under the title of “*La Conquete du Pain.*” Kropotkine, as one of the high priests of anarchism, seems to regard the anarchists as a part, and evidently an important part, of the socialistic body in France, if not in other parts of the world, and he discusses socialistic matters from the anarchist standpoint with as much complacency and assurance as if addressing his brethren of the society, as well as people outside of that organization. In the discussion of socialism, nothing is more useful to the world at large than a presentation of their schemes for analysis. If such theories of life will bear the searching light of practical common sense, they may accomplish good by indicating methods of improving the social condition of the civilized world, which, in the course of time, would be gladly adopted; but if, on the other hand, the schemes are clearly impracticable, visionary and absurd, a real service will have been performed in stripping off disguise and in keeping well-meaning men from the dangerous associations to which they are invited.

Prince Kropotkine is an avowed anarchist, but he

is careful to avoid any reference to the programme of violence and assassination which the more active members of his society not only advocate but put into practical operation. It would have been interesting to know his thoughts upon this subject, but as he does not disavow the actions of his more energetic associates, the reader is left to infer that he does not disapprove of any violent method which may aid in bringing about the social revolution which he thinks is near at hand.

Kropotkine tells us, at the beginning of his book, of the great progress made by humanity during the many thousands of years since man lived by hunting, dwelling in caves and leaving to his heirs only such shelter and the stone utensils of the period. It is an undeniable fact, as he has stated, that we have taken immense strides since prehistoric man lived in these primitive abodes and used the chipped flints which have now given place to implements of metal and dwellings of stone and wood. He continues thus:

“The human race has meanwhile accumulated unheard-of treasures; it has tilled the soil, drained the swamps, penetrated the forests, laid out roads; built, invented, observed, reasoned; created complicated machinery, drawn its secrets from nature, subdued steam; so well that at birth the child of civilized man finds at his service to-day an immense capital, accumulated by those who preceded him. And this capital permits him now to obtain by his work alone, combined with that of others, riches surpassing the oriental dreams of the tales of the Arabian Nights.”

This is the keynote of Kropotkine's argument.



Man has gone on tilling the soil, inventing, producing, accumulating; overcoming all obstacles of climate and multiplying by machinery the productiveness of the race. And thus the world is rich from its great progress in productiveness in every branch of human industry; rich beyond belief. Continuing, I translate from Kropotkine:

“Why then this misery around us? Why this laborious work to brutalize the masses? Why this insecurity for the morrow, even for the best compensated workman, in the midst of riches inherited from the past and in spite of the ample means of production which would give ease to all in return for a few hours of daily work?

“Socialists have told and retold it to satiety. Every day they repeat it, demonstrate it by arguments borrowed from science. Because all that is necessary for production; the soil, mines, machines, the avenues of transportation, nutriment, shelter, education, knowledge—all has been monopolized by a few persons in the course of this long history of pillage, migration, war, ignorance and oppression, through which humanity has lived before learning how to subdue the forces of nature.

“Because, availing of pretended rights acquired in the past, they appropriate to themselves to-day two-thirds of the product of human labor, which they deliver to the most senseless and scandalous waste; because, having reduced the masses so that, not having enough before them to live for a month, or even a week, they do not permit a man to work unless he consents to allow them the lion’s share; because they

prevent him from producing what he needs and force him to produce not what would be necessary for others, but that which promises the greatest benefit to the monopolist. This is all there is of socialism."

Having now given us the clue to the complaints of socialism, in this condensed view, of a robbery which has been going on for ages, our anarchist author proceeds to elaborate upon the theme of progressive improvement and the accumulation of wealth, without giving the confused reader any clear idea of how he establishes the essential part of his postulate; but we shall find a more satisfactory clue to the fundamental proposition further on. No one will be inclined to dispute the progress of improvement in the civilized world; the many labor-saving inventions, the introduction of steam, electricity, etc., and the ingenuity of man in increasing the productiveness of the soil and in devising machines which enable human labor to increase its products extensively. Prince Kropotkine wanders off in these well-worn paths as if they were important features in his argument, whereas they are simply records of the growth of human intelligence and could be just as well introduced to prove the fallacy of his doctrine as in giving it support.

"Millions of human beings," says Kropotkine, "have labored to create this civilization of which we boast to-day. Other millions distributed over all parts of the globe labor to maintain it. Without them nothing but ruins would remain at the end of fifty years."

This seems quite probable, but the proposition, like much of the socialistic reasoning of the day, is too

vague to hang an argument upon. It is a self-evident proposition that unless we provide food to sustain life we shall die, and if we all die the globe will be a heap of ruins in less than fifty years ; but Kropotkine likes such dismal reflections, whatever their bearings may be, and it is his book—not ours. The sum and substance of all this story of progressive civilization, which has given to the world such an accumulation of wealth, resolves itself into this proposition :

As all people by manual or mental labor have aided in the production of the present wealth of the world, it belongs to all and not to any single person or to a few persons, and as it is consequently common property, why should it not be appropriated to the common good, instead of being monopolized by the few, who have no more right to it than we have? This is Kropotkine's position in a nutshell.

But it is not in a scheme of division that our author sees a remedy for the social evil of which he complains. He sees the folly of such a scheme. His plan is more in harmony with Mr. Bellamy's community in the "Looking Backward" dream. As the wealth of the world belongs to all, with its dwellings, its factories, its land and the machines used in manufacture and agriculture, everybody can live in ease and comfort by devoting five hours a day to labor and employing the rest of the day as they please.

"All is for all! And provided that men and women bring their quota of work, they have a right to their quota of all which shall be produced by everybody. And this share will already give them ease.

“But,” continues Kropotkine, “in order that this ease may become a reality, it is necessary that this immense capital, cities, houses, cultivated fields, factories, avenues of communication, education, shall cease to be considered as private property, which the monopolist can dispose of at will. These implements of production, laboriously obtained, built, fashioned, invented by our ancestors, must become common property, in order that the collective mind may derive from it the greatest advantage for all. Expropriation is necessary. Ease for all as the end; expropriation as the means.”

Here we have the grand idea introduced in the word “expropriation,” which means in this case nothing less than confiscation, for there is no other expropriation possible. Confiscation is robbery, and Kropotkine favors that method of getting possession of the wealth which he claims as common property. It is the idea of the mad preacher, John Ball, repeated after an interval of more than five hundred years. This change in the ownership of property is to be secured by a “social revolution,” which is supposed by Kropotkine to be near at hand. Alluding to this, he says:

“A mental evolution has been going on during the last half-century, but is repressed by the minority—that is to say, by the proprietor class—and not having taken palpable form, the obstacles must be swept away by force, and that it should become a reality by revolution. Whence will come the revolution? How will it announce itself? No one can answer these questions. It is unknown. But those who observe and reflect are not deceived. Workmen and explorers,

revolutionists and conservatives, thinkers and practical men, all feel that it is at our doors."

The cautious method here adopted by the anarchist leader suggests the idea that he may possibly fear the intervention of the French government, should he give free expression to his revolutionary programme, but there is no difficulty in reading between the lines what all this means. Our ancestors accumulated the immense wealth of the present time by the labor and inventive faculties of all, and this accumulation has been seized and monopolized by a few, when it belongs to all. It must therefore be restored by confiscation, when it will become common property. We cannot expect this "expropriation" to be voluntary, and therefore it must be taken by force through the agency of a revolution. How this revolution is to be brought about no one knows exactly, but it is nevertheless near at hand, and everybody knows it. This is the Kropotkine thread of thought.

Having now by means of a revolution despoiled the monopolists, Kropotkine begins to consider how things are to be managed under the anticipated new community. He recognizes the errors of 1793, 1848 and 1871, and develops his plans, which are to obviate the mistakes of former revolutions. In the first place, everyone must have enough of the necessaries of life, and thereafter "no one will be forced to sleep under the bridges, by the side of a palace; to fast when there is food enough; to shiver in the cold near stores of furs or clothing. All will be for all, not only in principle, but in reality."

And this is not to be accomplished by decree, but

by taking immediate possession of all which is necessary to assure life to all. "Take possession," he says, "in the name of the revolted people, of stores of grain, the shops which are crammed with clothing, and habitable houses. Waste nothing, organize at once in order to fill the vacancies; anticipate the necessities, satisfy all wants, produce no more to give the benefits to anyone in particular, but to enable society to live and develop."

The thoughtful reader may find this triumphant programme a little too vague to satisfy his curiosity, but Kropotkine finds no difficulty in the case. Socialists of his type sweep away a mountain of difficulties with a high-sounding phrase and a wave of the hand. Why then trouble ourselves with thought when we have such men to do all the thinking for us? Kropotkine brushes away objections as if they were but cobwebs in his path. The following extract from his book will, I think, be found interesting to our readers :

"It is related that in 1848 Rothschild, seeing his fortune threatened by the revolution, invented the following farce: 'I will admit,' said he, 'that my fortune may have been acquired at the expense of others. But, divided among so many millions of Europeans, it would yield but a single crown to each person. Well, I engage to restore to each one his crown, if he asks me for it.'

This said and duly published, our millionaire tranquilly walked the streets of Frankfort. Three or four of the passers-by demanded their crown and he gave it to them with a sardonic smile, and the game was

played. The family of the millionaire is still in possession of his treasures. This is something like the way the strong heads of the bourgeoisie reason when they say to you :

“ Ah, expropriation ! I understand you take all their coats, put them in a heap and each man helps himself to one, ready to fight for the best.

“ This is a joke in bad taste. It is not necessary for our wants to put the coats in a heap, to distribute them afterward, and yet those who are shivering might find some advantage in it. Nor do we propose to divide the crowns of Rothschild. Our plan is to organize so that every human being coming into the world may be assured, at the start, of learning productive work and habituate himself to it ; and afterward be able to perform this work without asking permission of the owner and the patron, and without paying to the monopolists of the land and machines the lion's share of the entire product. As for the wealth of every kind held by the Rothschilds and the Vanderbilts, it will serve us better in organizing our production in common. The day when the laborer in the fields can cultivate the land without paying half of what he produces ; the day when the necessary implements for preparing the soil for great harvests shall be abundantly and freely supplied to the cultivators ; the day when the factory workman shall produce for the community and not for monopoly : laborers will go no longer in rags, and we shall have no more Rothschilds nor other exploiters.”

But some one urges that the revolution might not extend over the whole earth at the same time. Will

you in that case establish custom houses on the frontiers to search those who arrive and seize the gold they carry? It would be curious to see anarchist gendarmes firing upon those who pass.

This suggestion makes our anarchistic author squirm a little and he delivers himself in this rather cloudy and mysterious way :

“Well, in this logic there is a great and fundamental error. They have never asked whence came the fortunes of the rich. A little reflection will suffice to show that the origin of their fortunes is the misery of the poor. When there are no poor wretches there will be no rich to exploit them.”

This seems a little muddy to the inquirer, perhaps, but presently Kropotkin explains, and in this explanation gives us a better idea of his postulate, which assumes that all owners of property have seized and appropriated what belongs to all. Referring to the middle ages when great fortunes began to appear, he says :

“A feudal baron takes possession of a fertile valley. But inasmuch as the country is not populated, our baron is not at all rich. His lands bring nothing to him ; he might as well hold property in the moon. What does our baron do to enrich himself? He will seek for peasants ! If, however, every farmer had a patch of land free from all reclamation ; if he had, besides, the implements and the live stock necessary for the work, who then would cultivate the baron’s land? Everyone would keep to himself. But there are entire populations of wretched creatures, ruined by war, droughts and pestilence. They have neither



horse nor plough. (Iron was costly in the middle ages, and horses were still more so.) All these poor wretches seek better conditions. They see one day upon the road, on the boundaries of our baron's land a placard indicating by certain intelligible signs that the laborer who will install himself on these lands, will be furnished with implements to cultivate the soil and with materials to build his cottage, without paying any rental for a certain number of years. This number of years is indicated by a certain number of crosses on the placard and the peasant understands what they mean.

“Then the poor wretches settle upon the baron's lands. They lay out roads, drain swamps and create villages. In nine years the baron will impose a rent and will levy an advance five years later, which he will double afterward, and the laborer will accept the new conditions because he can do no better elsewhere. And, little by little, aided by the laws made by the masters, the poverty of the peasant becomes the source of the riches of the lord, and not only of the lord, but of a cloud of usurers who settle down upon the villages and multiply as the peasant becomes impoverished.

“Thus it was in the middle ages. And is it not the same thing to-day? If there were free lands that the peasant could cultivate as he pleased, would he pay a thousand francs per hectare (\*) to the viscount who is quite willing to sell him a patch? Would he pay an onerous rent which would take from him a third of what he produces? Would he become farmer in order

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\*Note, about 2.1 acres.

to give the proprietor one-half of his crop? But he has nothing : hence he will accept all the conditions provided he can live by cultivating the soil ; and will enrich the lord.

“In the midst of the nineteenth century, as in the middle ages, it is still the poverty of the peasant which creates the wealth of the landed proprietors.”

In the same way, according to our author, in all sorts of ways through manufacture, trade, etc., the well to do people of the civilized world have made and nourished their fortunes, when they have not squandered them. That is by taking advantage of the poor and profiting by the labor thus at their disposal. It is not necessary to elaborate the subject by quoting M. Kropotkine's words. It will suffice to condense the leading ideas. We have in the foregoing a frank explanation of the methods, which, according to anarchists, have been followed by the monopolists who have acquired wealth, whether in large or small fortunes. It is not alone the very rich nor the possessors of moderate fortunes, who are to be included in the list of despoilers, or monopolists, but anyone who has a surplus over immediate wants, is necessarily a robber to that extent. The feudal barons seized the fertile valleys, and developed them by the help of the poor laborers ; the usurers, and all who managed to accumulate in some other way, cheated laborers by similar processes, and probably many of these same laborers, who managed to save by great thrift and industry, having obtained what they have left to their descendants, only by the aid of the poor, must now disgorge and be contented with the share

which Kropotkine and his associate anarchists assign to them in a society organized and reconstructed, at least on paper.

My readers may have had an impression from English history that the possessions of the feudal barons had been to a large extent confiscated long since in the changes and revolutions during the last five centuries, but this interruption in the chain of title would not be considered admissible as an argument, probably, by the anarchist who can follow the accretions of fortune in but one path. It is sufficient to say that all surplus wealth is the product of labor, and, therefore, belongs to everybody. That is the gist of the whole argument.

Some crotchety minds have been disposed to cavil at the dogma of inherited sin, and have even disputed the justice of saddling upon their posterity the failings of Adam and Eve; but not even these skeptics can find much fault in holding us responsible for the doings of the feudal barons of the middle ages. Not even the inhabitants of the United States who got their lands for little or nothing will complain, perhaps, at being held responsible for the acts of the feudal barons of the middle ages from whom they may have descended. *Fiat justitia, ruat cælum.*

But, after all, when we examine the propositions of these feudal lords, as stated by Kropotkine, they do not seem unreasonable or illiberal, when subjected to nineteenth century analysis. Here is land, they say to the poor people who are seeking work and a living. Settle upon it and cultivate and I will furnish you with implements of husbandry, etc., and with mate-

rials to build yourselves homes. I will charge you nothing until after five years of occupation, etc., etc. Was this so very unfair? Were these acts wicked enough to call down upon the heads of the present generation threats of despoilment and destruction?

Ponder this question, ye millions of the middling classes, who have laboriously accumulated enough to be only comfortable in life. It is a problem which interests you far more than it does the few who are very rich. Are you content to be despoiled of your hard earned gains, for the benefit of not only the deserving poor but for that of the idle, the incompetent, the dissolute and the vicious?

But Kropotkine does not propose to despoil every one of his coat, oh, no!

"But we wish," he says, "to return to workmen or laborers all power which others possess of speculating upon them, and we will spare no exertions to keep everyone from want, and that there may not be a single man who shall be forced to sell his labor in order to support himself and his children.

"This is what we mean by expropriation, and our duty, pending the revolution, the arrival of which we shall hope for, not two hundred years hence but in the near future."

Prince Kropotkine may, perhaps, have stronger foundations for his hope than those upon which they could rest on this side of the Atlantic; but, as according to the poet,

"Hope springs eternal in the human breast,  
Man never is, but always to be, blessed,"

it is possible that he may find himself mistaken. But it will be interesting to know how things will be managed under the new scheme of social organization, and I propose, therefore, to examine the entire plan.

## CHAPTER XI.

### KROPOTKINE AS A SOCIAL REFORMER.

Kropotkine, in his scheme of confiscation, rejects the propositions of some of his brother socialists to confiscate but a part of the property, which he claims belongs to the whole community. He says this will not do. It would lead to endless trouble, which is no doubt true, and therefore he advocates wholesale and unlimited confiscation. Looking at the matter as dispassionately as we can, it would seem more fair to make a clean job of the confiscation, when it can be carried into effect at all. When the attempt is seriously made, the resistance would probably be quite as great under limited confiscation as in making a clean sweep. Besides if, as Kropotkine tries to prove, property now held by part of the population belongs to all, why should a portion of it be exempt from confiscation? The fierceness of the struggle, when the time comes, will not be mitigated by a proposal to limit the confiscation. It will be a struggle for a principle which is as much involved in the robbery of a part as in the robbery of the whole.

Among the difficulties suggested to the author in carrying out the social revolution, which he thinks is rapidly approaching, is the want of provision for the vast number of workmen who will cease to follow their customary work, and who, taking part in the revolu-

tion, must be provided with the necessaries of life. In the previous revolutions of 1793 and 1848 this was a terrible obstacle to success and was met by expedients which were so inadequate that their failure contributed to the non-success of those formidable revolutions. It is, therefore, necessary to consider how all this body of non-producers shall be supported during the few months in which they would be occupied in the great task of reorganizing society. This is the ever-rising bread question, which the anarchist leader would meet in advance.

Kropotkine's idea is that the people should take immediate possession of all the provisions to be found in the revolting communes, make an inventory of them to prevent waste and to enable all to profit by the accumulated resources, in order to tide over the period of the crisis; and during this time come to an understanding with factory hands by which they will be guaranteed an existence and a supply of what they may want. Then he would bring under cultivation land which is now unproductive, such as public parks, etc., we are led to infer, or land such as is now cultivated in the vicinity of large cities and devoted to kitchen vegetables. Having then surmounted the crisis, there must be a reorganization of industry on a new basis, but to pass through the period of want during the process, provisions must be in common and distributed by rations. "It will be in vain to preach patience, the people will no longer be patient; and if all the provisions are not made in common, they will plunder the bakeries."

Therefore, Kropotkine's plan is to seize everything,

and thus to provide from the ample stores on hand enough to carry the people through the revolutionary period, until the new system is fairly established. While the forces of anarchy are crushing all forms of government out of existence and confiscating all property, the working agents, which, in this case, we conclude would embrace a large majority of the people of the revolted province, must be provided with the necessaries of life; otherwise the revolution would be a failure as in 1793, 1848 and '71.

“Instead of plundering a few bakeries, even if obliged to fast the next day, the people of revolted cities will take possession of the stores of grain and eatables—in short, of all available provisions.”

Having done this, Kropotkine's scheme is a voluntary organization for the distribution of these provisions and to regulate the occupation of dwellings, which can be understood better perhaps in his own words:

“Male and female citizens will volunteer immediately to make inventories of whatever shall be found in the abundant stores. In twenty-four hours the revolted commune will know what Paris does not know to-day, in spite of its committee of statistics, and what it never knew during the siege—the quantity of provisions it had at its disposal.

“Only give the people elbow room (*les coudées franches*) and in a week the service of provisions will be admirably regulated.”

The reader may, perhaps, have less faith than the enthusiastic Kropotkine in this voluntary service of a people in the turmoil of a revolution; but to the anarchist all doubts appear frivolous.



Having seized all the provisions available in Paris, it appears to our author necessary to provide for the case of getting fresh supplies, when these fail, and as it may happen that the revolution might not be general, but might at first be confined to certain localities, such as Paris and other large cities or communes. In such a case the replenishing of stores, which might be exhausted in a month, or even in a fortnight, would be a prime necessity. This trouble was experienced in 1793, when, according to the author, the country starved the great cities and killed the revolution, although the cereal production in France had not diminished in 1792-93. The trouble was that the country people were not willing to sell their grain for assignats. They kept it for a higher price or for gold. No wonder; for the assignats had depreciated so much as to be not much better than waste paper. Kropotkin's plan is to buy the necessary provisions with merchandise—clothing, machines, etc. The productions of these materials for barter would, of course, go on in the city under the new regulations. And thus he solves this important question :

“Offer to the cultivator in exchange for his products, not scraps of paper, whatever may be written upon them, but the very things the cultivator needs for consumption. If that is done provisions will flow into the cities. If it is not done we shall have poverty and want in the towns and all their consequences, reaction and overthrow.”

This will probably strike the reader as rather a fragile thread to hang such a tremendous movement upon. It is barely possible that obstacles to this

system of barter might arise and it seems extra hazardous to venture so much upon an assumption which may not be warranted. In the first place, the country might be hostile and resolve to starve the revolted cities into subjection; and in the second, the people in the revolted cities might be less docile and less manageable than our author anticipates, and thus make the productiveness of the city doubtful, under the new conditions of industry. What then? Why, a failure of the revolution. This seems to be a dangerous contingency against which Kropotkin offers no acceptable guarantee. Starving people cannot and will not wait, and a slight dislocation of the anarchist machinery might involve the revolutionary movement in difficulties of the most serious character. If the country outside of Paris, for example, should not unite in the revolution, the inference would be that the inhabitants did not approve of or sympathize with the movement. We can easily conceive that this might be the case with a thrifty, well-to-do peasantry. Large numbers of this class in France have acquired snug farms and have saved enough to live comfortably, and they will naturally object to any system of confiscation which must necessarily apply to their property, even if it is urged that it belongs to all or has come down to them through the feudal baron swindle. They ought, perhaps, to adopt M. Kropotkin's views; but will they? If not, why should they not try to starve out the anarchist robbers? The barter scheme is weak.

The plan for lodging the people in the confiscated dwelling houses present some difficulties, but these

are brushed away by the author in his peculiar method. He foresees that after the first acts of confiscation, groups of well-disposed citizens will appear to offer their services in ascertaining the number of vacant apartments, and of apartments occupied by numerous families. In a few days these volunteers would prepare complete lists, of the apartments and dwellings—healthy or unhealthy, spacious or contracted. Having made these lists, they would notify their “comrades” in the crowded parts of the city and simply say to them :

“Come this evening to such a locality. The entire dwellers of the quarter will be there; we shall allot the apartments. If you do not want to stay where you are, you will select one of these apartments of five rooms, which is available. And when you have moved the thing is done. The people in arms will deal with those who want to dislodge you.”

This is a very simple way of disposing of what, at first sight, might have seemed to be a difficult problem; but nothing is easier than to arrange such matters on paper. Some people might want an apartment of twenty rooms, say objectors to the scheme. Not at all. The Parisians have more sense, as illustrated by many examples—at least this is Kropotkine’s view—and consequently they will be reasonable and contented. Trust the people and let them understand the case, and they will be docile and orderly—that is, if Kropotkine is not mistaken.

Another case is put to the author, as follows :

“Here is a poor devil, who by strict economy has been able to buy a house large enough to accommo-

date his family. He is happy there; would you turn him also into the street?

“Certainly not,” answers Kropotkine. “If his house is only large enough to lodge his family let him live in it, *parbleu*, and cultivate the garden under his windows! Our boys, if necessary, will lend him a helping hand. But if he has in his house an apartment which he lets to another, the people will find that man and say to him: ‘You know, comrade, that you owe nothing more under the old arrangement; keep your rooms and pay nothing more; no fear of the sheriff henceforth; this is socialism!’”

And so, in various cases which are suggested by the author himself in this allotment of dwelling places, he solves the difficulty in the same off-hand way, not entertaining, apparently, the least doubt of a cordial and unselfish coöperation of these wild and undisciplined masses of the people rushing to secure their share in the spoils and benefits which the revolution may have wrested from the wretched proprietors who have unfortunately inherited the accumulations of their feudal ancestors, or who have by dint of untiring industry secured a small surplus of worldly goods to guard against a rainy day. In this blind confidence in the gentle dispositions and justice of a people who have just seized and appropriated the property of others by force we cannot fail to observe the childish simplicity of the author, unless we attribute to him discreditable motives and glaring insincerity. The idea that a howling mob of applicants for the more comfortable lodgings of the unfortunate descendants of the feudal barons could be so easily satisfied and

peacefully bestowed is too preposterous to require argument. But still greater weakness will appear in the sequel. Meantime let us follow the anarchist plan in other directions.

Having now provided his revolted community with provisions and dwellings, our author proceeds to clothe them much in the same way. The stores filled with clothing are of course to be seized as common property and opened to all to supply their wants. Someone suggests that everybody will want choice garments and every woman "a velvet dress." Kropotkin does not believe this; he thinks his perfect society would have simple tastes. Groups of people are to volunteer in each street and quarter to take charge of clothing, making inventories of what the revolted city possesses in this line, and probably adopt the same principles as for the distribution of provisions. The febleness of the method, the childish reliance upon the good sense and honesty of the insurgent masses are conspicuous features of this solution of the clothing problem.

These questions as to food, shelter and clothing, which necessarily suggest themselves as of prime importance in the preliminary stages of revolution, having been settled, our author next deals with the question of organizing or regulating the hours of labor, and this chapter he calls "Ways and Means." He concludes that five hours of labor a day are sufficient to provide for the entire community. The proposition in the words of M. Kropotkin is as follows :

Suppose a society embracing several millions of

inhabitants engaged in agriculture and a great variety of industries, Paris, for example, with the department of Seine and Oise. Suppose that in this society all the children learn to work with their arms as well as with their brains. Admit, finally, that all the adults, except women occupied in the education of children, engage to work five hours a day, from the age of twenty or twenty-two years to that of forty-five or fifty, and that they employ themselves in occupations of their own selection, in any branch of human work considered necessary. Such a society could in return guarantee the welfare of all its members—that is to say, a comfort equal to that enjoyed by the well-to-do class to-day—and each workman of this society could dispose of the rest of his time, beyond the five hours per day, in the study of science, art, and to individual wants which are not considered necessary.

This is substantially the proposition of arranging work under the new programme; but, naturally, the reader wants to know how all this is to be managed in detail, and I should like to satisfy the inquiry; but we must grope further into the labyrinth of anarchistic socialism to extract the information, if it can be found at all. M. Kropotkin, who is himself an educated man, sees that this humdrum life of five hours per day, which is to provide for the entire wants of the community, would not be tolerable without recognizing and providing for the higher and more intellectual aspirations of man. He sees, as any man of common sense will, that to confine human beings to this species of tread-mill life for a specified number of hours per day, without encouraging the development

of those mental faculties which have for centuries, especially since the discovery of the art of printing, constituted the highest enjoyment of cultivated men and women, would be to brutalize and degrade the entire human race. Hence he hastens to relieve regenerated society from this formidable objection. This objection, which has already had an injurious effect upon societies established or about to be established in the wilds of America, Kropotkine proposes to overcome.

“Will the anarchistic commune,” he asks, “be drawn into the same way?” meaning of course the path of error followed by the societies to which he alludes, “Evidently not,” he replies, “provided it understands and seeks to satisfy all the manifestations of the human mind, while at the same time it insures the production of all that is necessary to material life.”

And now Kropotkine, who is obliged of course to answer for the anarchistic community, proceeds to show how matters can be arranged to gratify these intellectual and artistic wants of man. As society reconstructed after the Kropotkine programme would require but five hours of work per day, it follows that the rest of the available time will be at the free disposition of the worker as his tastes may incline. He will then have five or six hours to satisfy his artistic and scientific wants. Thousands of societies will come into existence in response to all demands of taste or fancy. Some of these will give their leisure hours to literature, forming groups of writers, composers, publishers, engravers, etc., all seeking a common object. “Will literature lose anything?” asks the author

after sketching the foregoing appropriation of time. "Will the poet be any the less a poet after having worked in the fields? Would the novelist lose his knowledge of the human heart after having touched elbows with the men in the factory or the forest?"

At the end of this chapter he asks: "Is this a dream we are fabricating? Certainly not for those who have observed and reflected. At this very moment life is pushing already in that direction."

If the author had left the answer to his questions to his readers, instead of framing the replies himself, it is more than probable that a very different conclusion would have been reached. If such an automaton life as the author sketches would not kill poetic fancy, enfeeble the imagination of the novelist, benumb the inventive faculties and discourage the development of science and art, it would be a remarkable instance of survival under depressing conditions and chilling influences. Anything more likely to extinguish science, literature and art than the clumsy machine which Kropotkine's reconstructed society, with its allotment of labor and its limitations of individual development, can hardly be imagined. History proves conclusively that the conditions under which these intellectual pursuits flourish must be entirely different from those contemplated in the socialistic programme under examination. Such a community as Kropotkine dreams of might perhaps resemble Sparta, for under that government theft was considered a virtue, but it could hardly compete with Athens.

The foregoing outline of the anarchist plan of socialistic development embraces the fundamental



propositions of M. Kropotkine. The remainder of his book is devoted to an elaboration of the scheme under different heads, in the chapters of which the author seeks to meet some of the objections which he anticipates. In this way, under such captions as "The wants of luxury," "Agreeable work," "Objections," "Division of labor," etc., the author reviews and tries to fortify his propositions, but whether intentionally or not he fails to give what may be called the working plan of society as reorganized after the Kropotkine, anarchistic, socialistic ideal. Perhaps the author finds this a difficult task, as it certainly is; but how can people come to an intelligent conclusion as to a scheme which contemplates the complete overthrow of society as now constituted, without having practical illustrations of the new order of things? It would occupy too much time and space to follow the author through the chapters named, and it is not essential to the object of the writer. Summing up the argument, we have substantially the following propositions:

1. As property is the accumulation of labor during many years, it belongs to all, but is held by a few who have seized and monopolized it.
2. Therefore we propose to confiscate all property so far as private ownership is concerned and restore it to the people—that is, to all.
3. In order to accomplish this a revolution is necessary, and this is near at hand.
4. This revolution will not only confiscate all private property, but will overthrow all government and give to the people anarchy in its place.

5. After the revolution people are to work five hours a day, and this will entitle them to a comfortable living. The rest of the time will be at the disposal of the individual.

6. During the revolution the revolted province will support its people employed in the work of overthrow by distributing the provisions and clothing which have been confiscated, and will allot dwellings which have also been taken possession of.

7. In case of shortage in provisions during the process of reconstruction, the revolting commune will replenish the supplies by bartering the merchandise and implements confiscated, or which may be afterward manufactured, for the products of the country, which of course the farmers will be glad to exchange.

After an attentive consideration of these propositions, which we can all understand, the reader naturally seeks for particulars, but seeks in vain except so far as he may find in the rambling comments of the author in the chapters to which allusion has been made and which furnish no satisfactory information as to operations in detail.

How is the revolution to be accomplished? Kropotkine does not know, or, if he does, preserves a discreet silence. It is natural, however, to suppose that a man who seems so confident of its proximity must have some foundation for that belief. As, however, the revolution embraces a scheme of general confiscation, it is evident, and indeed Kropotkine admits this, that it must be carried by force. This implies a terrific struggle and a fearful sacrifice of human life, inasmuch as it is certain that people who hold property

will never surrender it while they have strength to defend it. A proposed revolution of this desperate and bloody character to deprive men of property which they have honestly and often laboriously acquired, is so atrocious in itself, that it is not surprising M. Kropotkine evades a discussion of it. Still he knows that such a revolution and attempted reconstruction of society involves the community in horrors beyond description. Stripped of the verbiage under cover of which the anarchist author conceals the hideous character of his proposals, it is not less than a plot to bring about anarchy by the murder of every one who stands in its way. What cool assurance a man must possess to advocate such a scheme in the light of nineteenth century civilization!

But the anarchist will probably say the end justifies the means, and but few, if any qualms of conscience will be allowed to interfere with the stern programme of violence, bloodshed and robbery which has been prepared by the insane men who profess to lead anarchist thought. I say insane rather than idiotic, although the schemes appear stupid enough to warrant the use of that word; but men like M. Kropotkine are not idiots, they are rather to be classed among the fanatical intellects of the world, whose cruel and remorseless energies have, during past centuries, been devoted to the forcing of their own dogmas upon the world, at whatever cost in the sufferings and misery of humanity. The grim placidity with which religious bigots attempted to convert human beings to their own creeds by torture and the stake finds its counterpart in the cool propositions of the anarchists who

would first kill all men who oppose them, then destroy all forms of government, and confiscate all property; for what? Simply to bring humanity under the operation of society run by machinery, which would be likely to be dislocated irretrievably within a month.

But let us examine the propositions and try to show the imperfections and difficulties of the Kropotkine scheme which that author either dismisses in a very unsatisfactory way, or avoids entirely. I have already noticed the singular fact that the methods or processes of the revolution, which he regards as a near event, are studiously omitted; but it is fair to ascribe this reticence to the imprudence of the revelation, while its author might be exposed to prosecution by the French government; but there is no such excuse for omitting details necessary to the perfection of working machinery. Organization is constantly referred to in carrying out the scheme; but what kind of organization? Is the reconstructed society to begin its beneficent career under the haphazard method adopted in the plans for distributing provisions and clothing, and the allotment of dwellings? Will the dependence be upon groups of volunteers, as imagined in that part of the programme? If not, what kind of an organization is it to be when the cardinal principle of the anarchist is the abolition of all forms of government? What species of organization can be made effective without some kind of government?

Answering some of the objections to the allotment of labor and the distribution of the "common property," M. Kropotkine says that if anyone is dissatisfied and refuses to unite in the arrangements he will

be told to leave the community. That is an easy, nonchalant way of disposing of malcontents; but suppose they will not leave and that they muster in sufficient numbers to threaten the success of the experiment? Nothing is more likely to happen than this. What will the commune do in such a case? Doubtless the answer will be: "Then we shall force them to leave." Whence will the force come, if not from some kind of a government? We may imagine the reply to be, that meetings of the commune will settle all this by vote. Then, again, M. Kropotkine says that if anyone attempts to prevent occupancy of apartments as allotted, "the armed people" will attend to him. What does this mean but an armed force authorized to carry out rules and regulations, which are equivalent to laws, and which are necessarily adopted by the commune? If so, how does this differ from popular government which expresses the will of the people by their chosen representatives?

The entire scheme outlined by M. Kropotkine rests upon organization at every step, and organization implies government, whether by meetings of the citizens or by committees. It not only implies but compels a method of government to make the organization effective. Even mob rule is in one sense government, although the worst and most oppressive of any. Is this a new definition of anarchy? The anarchists, so far as we can judge by what they say, advocate the destruction of all government. Do they mean by this the annihilation of one kind of government for another infinitely worse?

The mystery finds no solution in M. Kropotkine's

book, simply because the proposition is as absurd as it is impossible. Whoever proposes to reconstruct society must be guided by common sense, at least, if he is serious in his undertaking. This would instantly suggest that human nature would never be confined and regulated, as parts of a great machine, no matter how beautiful the theory may appear on paper. People do not all think alike. They differ in dispositions and in tastes and they are only kept together by government. This is self-evident.

The anarchist programme of revolution for the reconstruction of society is but a scheme to substitute the rule of the masses in the most impracticable and objectionable way, to carry out the wicked project of robbing everyone who has accumulated a surplus, however modest and however acquired. The industrious workman, who by sobriety, intelligence and economy has provided a comfortable home for his family and a moderate competence; the well-to-do farmer, who has by incessant application and toil paid for his farm and feels secure from want in his old age; the lawyer, physician, engineer, accountant, trader, as well as the millionaire, must disgorge his "plunder" for the common good; that is, for the benefit of "rag, tag and bobtail," embracing not only the worthy poor but the dwellers in slums, the thieves and drunkards and the scum of society. What a proposition to submit to a civilized community!

It may be said that such plans of social reorganization are too preposterous to call for argument; but it should be remembered that these Utopian schemes are constantly presented to the people in an attractive

form, and that in such disguise they lead thousands to a quasi-support of socialistic doctrines from which they would shrink in horror if the reverse of the picture could, at the same time, be presented.

Kropotkine's book unfolds in its specious way one of these schemes, founded apparently upon the general proposition of correcting the inequalities of life, of alleviating the distresses of the poor, and of lessening the hardships of toil. It is in its superficial aspect the "liberty, equality and fraternity" of the French revolution of 1793, which brought about tyranny, inequality and military despotism, and it is even weaker in its provisions, as it proposes to carry out an elaborate system of reconstruction without government; to adopt forcible methods without force, and to bring about a change in the modes of life and the habits of the people, which every sensible man or woman would pronounce impossible, as soon as fairly analysed. Hence it is useful to throw the light of investigation upon these projects. They are either true or false. How do they appear in this sketch? How many of our readers would welcome a social revolution which through violence, bloodshed and robbery would subject them to the slavery of allotted work at the dictation of a mob?

## CHAPTER XII.

### IMPRACTICABLE CHARACTER OF SOCIALISTIC THEORIES.

Socialistic schemes for the reconstruction of society, so far as developed in the works of writers upon the subject, deal largely in imagination. In these dreamy propositions the socialist delights to lose himself, and to paint in glowing colors the picture of enfranchised humanity. It is only when the practical man asks for the dry details of plans which are to accomplish so much, that the socialist is troubled. He very much prefers to rest upon his dreams, well knowing the difficulty of making them realities. Some men go through life in this way, building castles in Spain, and never attempting the construction of anything in real life. But when men of common sense propose to overturn the whole structure of our social system, upon which the happiness of our lives may depend, they should be prepared to show by a working plan how the scheme will operate in practical use.

M. Kropotkine is the only one who has undertaken to do this, or at least he is the only one whose works have come under the observation of the writer, who undertakes to apply socialistic plans to any of the phases of human life, and our readers can form some idea of the practical character of this application. Kropotkine's chain of reasoning is something like this: First, we shall have a revolution; second, the revolted people will take pos-



session of everything, and provide everybody with food, shelter and clothing, and then require no more than five hours of work ; third, people will be content with the new arrangement. They will neither dispute for the choice of dwellings nor for the best clothing. Society reconstructed on this basis will move along without friction. All will be contented and satisfied, for each one will be provided for, and no one will want. If any refuse to comply with the conditions, they can leave. Excessive toil will cease, and monopolists will no longer appropriate a large share of the products of labor, etc., etc.

The innocent confidence in this programme, which attributes to aggregated humanity qualities which only individuals of exalted character possess, is remarkable. It assumes that the most incongruous elements can be harmonized, manipulated and guided, without any real power to enforce, beyond that voluntarily assumed by committees, or agreed upon at meetings of the citizens, and it seems to assume that people can be governed or regulated in their daily lives by methods which have never yet been in successful operation, and which, in the nature of the case, never can be. The assumption of anarchy is that government is unnecessary, and yet at the very threshold of the socialistic programme, the need of some government to carry out its details is clearly demonstrated.

The origin of government is in itself an unanswerable argument against these wild theories of maintaining social conditions without vesting power in others to enforce the will of the majority. People associate together in tribes, or in some combination to resist

the aggressions of evil men, and select their leaders to direct the force thus aggregated, for mutual protection. This is government in its crude form, and from these primitive measures of protection come the larger communities and the more elaborate systems which constitute modern government. If all men were just and good, the necessity of such organizations might be disputed, but until human nature changes we can not expose society to the evils of unrestrained individual action. So long as there are wolves in the world, we must guard our flocks, and so long as there are bad men, we must for the same reason protect society from the predatory incursions of those who prey upon the rest of humanity. How, then, can anarchy take its first steps without the means of enforcing them? The proposition is simply absurd. And if some kind of government must follow, what is to be its character, and in what way will it, or can it be an improvement on that under which we now live?

It is conceivable that some of the existing forms of government are objectionable to the people who live under them, and if the socialistic movement simply had in view changes in such forms, by which the people could enjoy the freedom which is claimed for popular government, we should understand the purpose of anarchists and socialists; but this is not the question. The movement, so far as we can understand it, is quite as much against popular government, as illustrated in the United States, as against the autocratic monarchies of the old world. If this is a correct assumption, the world is entitled to know what kind of a government is proposed as a substitute. Is it to

be a government of town meetings, or of committees, or of both? If the anarchist answers in the name of socialism that no government at all is the programme, we add that this is impossible and that one of their great leaders admits that force is to be used. How can this be applied unless through the action of the people? If such action is necessary, that is as much government as it was before the proposed revolution.

Anarchists and socialists may be safely challenged to give even in outline a scheme of government which will be considered for a moment as a substitute for that under which we now live. They dare not attempt to put their visionary plans into tangible shape, to be subject to analysis.

It has not been the intention of the writer in these comments upon M. Kropotkine's book, to question the motives or the sincerity of many who have been attracted by the humane features of socialism, as presented by its most intelligent advocates. All plans to improve the social status of the laboring classes are entitled to consideration, and if they embrace propositions to accomplish the object, without assailing the rights of others, it would with a large portion of the community be only a question of practicability. To assume, at the outset, that the world is divided into antagonistic classes, and, therefore, that force, acquired through a revolution, is a necessary preliminary to improvement is not only a baleful idea, but is in itself an obstacle to any practical movement whatever. All schemes to benefit humanity in this enlightened age have but little chance of success, if introduced by unjust and brutal methods. The prop-

sitions under such conditions are shocking to the very people who would be most influential in support of reasonable and practical measures to correct social inequalities.

An intelligent community sees in the violent and wicked plots of anarchistic attempts to destroy without hesitation or scruple, the fundamental principles of just popular government, and from such diabolical teachings it shrinks in horror and disgust. It is not an exaggeration to say that the acts and the teachings of these misguided men have done more to retard improvement in the social conditions of the human race than all other causes combined. In vain the moderate and reasonable class of socialists disclaim sympathy with these fanatics. They appear conspicuous in all socialistic meetings, and force themselves into leadership, whenever occasion offers, and they are not discarded, as they should be, by socialistic writers or sympathizers.

Another point of difficulty is to be found in the contradictory views of the better class of socialists. Admitting that anarchists form a body distinct and apart from socialists, and accepting the denial of relationship of the latter as true, where can we find any clear platform of principles on which all can stand, or any practicable plan for carrying them out? Shall we accept the theories of leading German socialistic writers, and if so, which? Scarcely two are alike. Or shall we take the dream of Mr. Bellamy? Is a general distribution of all property, or of all income, one of the propositions, or is it proposed to vest all property in government to be administered for the benefit of

all? What is the scheme of government, if the necessity of government is admitted? And above all things, supposing we can find in the mass of socialistic writings a definite scheme, what is the order of procedure?

I have sought an answer to these questions in vain, after reading through a mass of socialistic literature, and I am forced to conclude that socialistic ideas or plans are in that nebulous state which leaves us in doubt whether they will ever materialize. Herein lies the weakness of socialism, so far as it seeks to remedy admitted evils. Most of its intellectual effort is limited to a statement of existing inequalities in life, sometimes distorted or exaggerated, but often fairly stated, especially as applied to foreign countries where class distinction is recognized and supported by the system of government. But when we look for the remedy there is so much diversity of opinion, that plain, common sense men are bewildered and disheartened. No plan of reform in the social conditions of the civilized world can be carried into effect, unless it is first clearly defined, and if it is forced upon a community by numerical majority through legislation, or by any violent process as advocated by Kropotkine, it will certainly lack the essential quality of permanence. Tyranny and injustice in any form are remedies so much worse than the disease, that in practice they quickly become intolerable.

It is easy to state conditions of society which we may all deplore, but the method of relief is the real difficulty. It is a problem which man has worked upon for centuries, without having found its true so-

lution. Hence, I do not consider the generalizations of socialistic writers of any value, unless they can point out a mode of relief which will commend itself to the world, not only in its practicability, but in its fair treatment of all classes of society. Now, if we are serious in undertaking the gigantic task of reconstructing society, in order to correct certain evils which we should be glad to remove from humanity, it is but a waste of time to dwell upon wild schemes of revolution, for such methods would only bring upon us much greater evils, and end in greater poverty and greater inequality, besides introducing a class of cut-throats and robbers to administer government, or to run the machine they would give the world in the place of government. In other words, it seems to me the world needs less of theory and more of practice, or at least of an intelligent method of reducing to practice the vague schemes which the theorists present in imperfect outlines. Without the least intention of disparaging the contributions of eminent writers on both sides of the socialistic problem, I think the books and essays they have contributed to the literature of the day sadly lacking in the clearness and directness so essential to a thorough understanding of the problem and the proposed method of solution. Written generally by scholars and philosophers they deal in subtleties of thought, and technical expressions, which are not understood clearly by ordinary business men. We may, for example, admire the profundity of thought in Herbert Spencer's "Synthetic Philosophy," but to the unscientific mind, it is a jargon. We may read the "Utopian Millennium" of Thomas More,

looking forward, or the dream of Mr. Bellamy, looking backward, with interest and admiration, but at the end we find ourselves as much in the dark as before. My impression is, that writers upon this complicated subject are not, as a rule, practical business men, and that, consequently, they do not present their remedies, if they have any, from the standpoint of the people, consisting of traders, manufacturers and workingmen, who at once apply the schemes to their own occupations, in order to test their usefulness and practicability. It may be that remedial measures are concealed in some of these learned essays, beyond the comprehension of the writer, or it may be that working plans are not considered within the province of these distinguished authors; but certain it is that profound ignorance prevails among employers and employed as to practicable measures of improvement, and equally certain is it that no socialistic writer has yet presented a practicable scheme for correcting the social inequalities of life, which would bear the test of analysis.

In a recent article in the Forum, written by Mr. W. H. Mallock, the intelligent writer, from whose book I have already quoted, he reviews the work of Dr. Schaffle, entitled "The Quintessence of Socialism," and quotes at the outset Dr. Schaffle's views of socialistic writings, which agrees substantially with the features I have attempted to describe. He says that Dr. Schaffle "begins by dwelling upon the fact that socialism to the world at large is a somewhat confusing thing, because there are many writers and parties who all claim to be socialists, but who yet differ and quarrel among themselves almost as vivaciously as they quar-

rel with the common foe, and convict each other—no doubt with justice—of all kinds of absurdities. But beneath all these differences, beneath all these absurdities, Dr. Schaffle points out that there is a certain foundation of agreement, certain common ideas or doctrines; and that these last differ from the former in two most important ways.”

It is precisely this confusion in the ideas of socialistic authors which bewilders intelligent but practical men who take an interest in the subject and would cheerfully assist in any feasible plans of removing the disadvantages under which some of their fellowmen are obliged to enter into the struggle for existence. It may be, as Dr. Schaffle says, that there is an undercurrent of agreement, notwithstanding the wide difference in the ideas of the exponents of socialism; but this does not meet the point in question. Whatever may be the remedy, it is not sufficient to state it in a general way. The world wants the “working plan,” not a dream or a mere theory. It is not necessary to write volumes to prove that inequalities exist in the conditions of the human race; we are all conscious of this. Nor is it at all essential after so many years of observation and study to argue upon the importance of doing all we can, consistently, to ameliorate the social conditions which impose greater hardships and suffering upon one class, while the other is comparatively easy and comfortable in life. Men are not so blind as not to be able to see this. But what is the use of all this socialistic literature in advocacy of changes, which are apparently just as impossible for socialists themselves to understand as for their readers?



The truth is that social philosophy, as expounded by the subtle intellects of that school, is like navigation upon an ocean of currents and counter-currents without rudder, compass or chart. There is too much danger in this drifting policy ; too much blindness to consequences, and too little practical knowledge of everyday life, as practiced by the industrial agencies of the world.

We know as well as we can know anything that men and women are born physically and mentally unequal, and we know we cannot help this, nor would it be desirable to do so if we could, and, therefore, we know that these inequalities of nature will influence individual life. In this direction, therefore, we can do nothing. But is it not possible to shape matters in social life so that when the individual engages in the competition for existence, the way may be as easy to travel to one as it is to the other? And if we cannot remove all the obstacles, because nature itself cannot be changed, is it not possible and practicable to remove some of them? If we answer in the affirmative, what is the course to be pursued, and how can we adapt this new scheme of life to the old without a complete and disastrous overthrow of the vital principles of justice, morality and religion?

These are the questions which present themselves to the healthy practical mind, and these are the questions which must be answered, in order to bring social improvement to permanent success.

If we are told that the revolutionary and confiscation schemes advocated by the anarchist branch of socialism, as represented by M. Kropotkine, are not

those of the more advanced school of socialists, we are led to reply, that except in the open avowal of violent measures which is implied in his predicted revolution, we see no great difference in the scheme of Mr. Bellamy, or in the plans of any who advocate appropriation of private property, inasmuch as the question of confiscation is never considered, and we cannot imagine how the state is to acquire possession without violence. Upon the whole a frank statement of an intention to seize and appropriate by force is much preferable to the delusive propositions which paint in soft colors the millennium which is to follow the abolition of private ownership of property.

It may not be out of place to introduce here a few extracts from the encyclical letter of his holiness Pope Leo XIII., written in 1891, a copy of which has recently been sent to me. Speaking of the evils of which socialists complain, the pope says :

“ To remedy these evils the socialists, working on the poor man’s envy of the rich, endeavor to destroy private property, and maintain that individual possessions should become the common property of all, to be administered by the state or by municipal bodies. They hold that by thus transferring property from private persons to the community the present evil state of things will be set to rights, because each citizen will then have his equal share of whatever there is to enjoy. But their proposals are so clearly futile for all practical purposes that if they were carried out the workingman himself would be among the first to suffer. Moreover, they are emphatically unjust, because they would rob the lawful possessor, bring the state

into a sphere that is not its own, and cause complete confusion in the community.

“ It is surely undeniable that, when a man engages in a remunerative labor, the very reason and motive of his work is to obtain property and to hold it as his own private possession. If one man hires out to another his strength or his industry, he does this for the purpose of receiving in return what is necessary for food and living; he thereby expressly proposes to acquire a full and real right, not only to the remuneration, but also to the disposal of that remuneration as he pleases. Thus, if he lives sparingly, saves money and invests his savings, for greater security in land, the land in such a case is only his wages in another form, and, consequently, a workingman's little estate thus purchased should be as completely at his own disposal as the wages he receives for his labor. But it is precisely in this power of disposal that ownership consists, whether the property be land or movable goods. The socialists, therefore, in endeavoring to transfer the possessions of individuals to the community, strike at the interest of every wage-earner, for they deprive him of the liberty of disposing of his wages, and thus of all hope and possibility of increasing his stock and bettering his condition in life.”

Admirably reasoned and clearly expressed. The encyclical letter sustains the position taken in these chapters throughout, and is entitled to great respect, as the utterance of the head of the great Catholic Church. To the writer, the sound views taken by the Pope, in language so directly to the point and so full of the common sense of plain business men, is a

revelation, as from men of eminent learning we are led to expect a philosophical treatment of the subject, which, while displaying scholarly composition, often mystifies the ordinary reader. Pope Leo XIII. evidently means to be understood. Here is another nugget of thought which corresponds closely with the views given in this and previous chapters :

“ Let it be laid down in the first place, that humanity must remain as it is. It is impossible to reduce human society to a level. The socialists may do their utmost, but all striving against nature is vain. There naturally exists among mankind innumerable differences of the most important kind; people differ in capability, in diligence, in health, and in strength, and unequal fortune is a necessary result of inequality in condition. Such inequality is far from being advantageous either to individuals or to the community; social and public life can only go on by the help of various kinds of capacity and the playing of many parts, and each man, as a rule, chooses the part which peculiarly suits his case.”

Can anyone controvert this proposition? Is it not a self-evident truth? The extensive circulation of this important letter renders it unnecessary to quote copiously from it; but the entire document will repay an attentive perusal. I must not, however, omit a passage which evidently favors the coöperative idea dealt with in previous chapters, and to which I shall have occasion to refer again. The extract is as follows:

“ History attests what excellent results were effected by the Artificer’s Guilds of a former day. They were

the means not only of many advantages to the workmen, but in no small degree of the advancement of art, as numerous monuments remain to prove. Such associations should be adapted to the requirements of the age in which we live—an age of greater instruction, of different customs and of more numerous requirements in daily life. It is gratifying to know that there are actually in existence not a few societies of this nature, consisting either of workmen alone or of workmen and employers together, but it were greatly to be desired that they should multiply and become more effective.”

The Pope evidently sees in the coöperative societies to which I have referred, a practical remedy for existing labor troubles. The advantages to be secured to workmen by systems of profit sharing, life insurance, pensions, etc., are quickly appreciated by the clear-sighted, broad-minded occupant of the papal chair. It has not been the purpose of the writer to quote much from the writings of those who disagree with the most objectionable forms of socialism, except where the arguments are brief, pointed and practical, inasmuch as such an undertaking, to be satisfactory, would involve a more thorough review than seems to be necessary in this condensed analysis of socialistic creeds and plans. According to the theory of the writer, the subject has been very thoroughly discussed, and he therefore believes that more substantial progress will now be made in considering modes of relief for an admitted trouble. The question is not whether social inequality exists, or if it exists, how it originated, but what, under the circum-

stances, can be done to overcome the difficulties, or, at least, to mitigate them without violence or injustice. In view of this, I have endeavored to ascertain the plans of all varieties of socialists, and wherever these have been presented in concrete form I have tried to show their weakness and impracticability. Unfortunately these plans are so vague as to call for more detailed and precise information, and even among the interesting and intelligent essays of those who criticise socialistic theories, we fail to discover any well-digested plans for meeting the growing difficulties between employers and employed except in the coöperative plans, which have been already adopted and successfully tried for many years, but which are still in the infancy of development.

It is worthy of observation, that however much people may differ as to the methods of improving the social status of the working classes, there has been no opposition whatever to the general proposition of such improvement. Indeed it is to be noted that all classes unite in favor of it, under fair and just conditions. Opposition to plans of amelioration concentrates on the violent, revolutionary and impracticable schemes, which would ride roughshod over the rights of others, regardless of consequences. Such schemes are necessarily attributed to men of unsound minds, or to wicked and distorted natures.

Upon the whole, much as we may lament the presence of poverty and suffering in the world, all fair-minded persons will admit that there has been a very decided and perceptible gain in the condition of the poorer classes during the present century, and espe-

cially since 1855. In an interesting work recently published, entitled "Social Evolution," written by Mr. Benjamin Kidd, this fact is confirmed in the chapter on "modern socialism," and it is of sufficient importance to be worthy of particular mention. It is to my mind strong evidence of popular sympathy in the direction of improvement. It is furthermore the proof of a social evolution which works peacefully and automatically, and without attacking the just rights of any class.

## CHAPTER XIII.

### POPULAR GOVERNMENT ON TRIAL.

So many well-meaning men are led astray by visionary schemes of improvement in social and political matters that we ought not to be surprised to find popular movements stimulated in a wrong direction, and under that stimulus acquiring a momentum which will become more and more difficult to neutralize, unless met by a counteracting influence in its early stages of progress.

It is thus with socialistic theories, and especially with those of the milder type. The members of this class do not favor the wild and sanguinary schemes of anarchists, but argue that if recognized inequality can be corrected by legislation, which is under the control of numerical majorities, that plan of action should be followed. In such cases the will of the majority as expressed by popular vote governs and must be submitted to. Any other course is simply revolution.

But it must be remembered that what we call popular government is the result of many centuries of revolt against oppressive conditions, and that its greatest and most essential feature is its guarantee of equal rights to all citizens. Whenever this guarantee is violated, whether by a majority vote or by a misapplication of existing laws, it is prejudicial to the permanence of that government, because it fails in the



application of the fundamental principles upon which it rests. Legislation in favor of one class to the detriment of another may be carried through popular influence and prevail temporarily, even while in conflict with the constitution, but the practical application of such laws is sure to bring about a reaction, because the injustice involved in such legislation would destroy constitutional liberty and bring disaster to all interests. If popular majorities can secure the passage of laws which will array one class of citizens against another, whether in a conflict between labor and capital or employers and employed, and such laws can be sustained, it would be possible to reduce one class to slavery or to a condition not much above it. Happily the constitution furnishes a safeguard against these possible attempts to abridge the rights intended to be secured by its adoption, and this protection has hitherto been sufficient to check the growth of such mischievous legislation, or to declare it void if carried through some of the coördinate branches of government. But for this even popular rule would be intolerable, although founded upon the idea of giving to man the largest liberty compatible with the security of the whole. To some people the word liberty means license, and the selfish and unscrupulous are always ready to take advantage of any chance to further their own interests even by the sacrifice of those of others. Masses of the people are swayed to and fro according to the impulse given to the current by the leaders of thought. Many theories of social and political life are accepted and adopted by majorities simply because these leaders guide public opinion, and

popular decisions are therefore liable to error, sometimes quickly recognized but often prolonged until serious injury has been inflicted. Under such conditions it is quite evident that the people are often misled by the mistakes of those to whom they look for guidance, and it not infrequently happens that these false directions are followed to serve the selfish and ambitious purposes of able but unscrupulous men who use their influence to accomplish their own ends, regardless of the consequences to the community at large.

These are the weak points of popular government, but they are in reality evidences of the moral obliquity of human nature rather than an argument against the form of government. The same odious features are conspicuous in the past history of monarchical governments, and the more autocratic the form of government the more easily corrupt and ambitious men obtain control and the longer can an abuse be continued. The same pliable and fluctuating nature of the popular will is available to the efforts of high minded men, and the masses are easily brought back to reason when conservative intelligence is fairly aroused to the danger of the situation. Many political questions are so complicated as to require a study beyond the reach of men who are occupied in providing for their families by daily work and who have but little time to devote to the solution of difficult social problems. It is, therefore, often necessary to change the current of public opinion by an educational process which, although somewhat tedious, never fails to accomplish its object.

The vacillating character of public opinion under popular government is forcibly illustrated in political questions bearing upon the financial or industrial interests of the country. Thus the advocates of a high protective tariff and those who favor comparatively free trade alternately prevail, and "the battle of the standards," as the discussion of metallic money is termed, now seems to favor one side and now the other. Ultimately the people are likely to decide wisely, but not, perhaps, until practical experiments have demonstrated the true course. The remedy in such cases, although effective, must become so through a painful experience, and therefore the necessity of resorting to it should be avoided if possible. For this reason the better way is to try prevention through educational processes, that the ills of unwise legislation may be avoided. Hence, I believe in a thorough examination of socialistic teachings and plans, feeling well satisfied that such an investigation will convince the common sense of the people of their utter impracticability as applied to existing social conditions. If I have succeeded in the analysis of the socialistic writings to which I have referred in leading to this conclusion my object will have been accomplished.

Without intending to disparage the efforts of many distinguished writers in the field of socialistic literature, it has appeared to me a waste of time to discuss the subject in its abstract form, but to bring under review the plans of those who claim to have found a cure for the conditions of human life which appeal to our sympathies and deserve our respect. The general proposition embraced in reasonable socialism of ele-

vating man in the social scale by smoothing the paths of progress in life, meets with but little if any opposition, but unfortunately most of the leaders in socialistic thought seem to be dreamers who can accomplish nothing, because they will not descend to common sense reality.

At this point I return to the plan of coöperation in various ways introduced in the early chapters.

The late James Russell Lowell, in one of his letters to a friend, wrote as follows:

“Speaking of these things reminds me of Howell’s last story of ‘A Hazard of New Fortunes’—have you read it? If not, do, for I am sure you would like it. A noble sentiment pervades it, and it made my inherited comforts here at Elmwood discomfoting to me in a very salutary way. I felt in reading parts of it as I used when the slave would not let me sleep. I don’t see my way out of the labyrinth except with the clue of coöperation, and I am not sure even of that, with over-population looming in the near distance. I wouldn’t live in any of the socialist or communist worlds into the plans of which I have looked, for I should be bored to death by the everlasting Dutch landscape. Nothing but the guillotine will ever make men equal on compulsion, and even then they will leap up again on the old terms.”

Howell’s book introduces a socialist of the extremist order who indulges in the usual invectives against society as now constituted, exaggerated by a sense of personal wrong which prevents discrimination, and attributes to society, as a whole, the imperfections of a part. Thus, slavery in the abstract is wrong, but no

one is justified in holding the entire human race responsible for it because some governments still tolerate it. But while little respect may be due to these violent complaints of men who labor under the impression that the evils of poverty and distress, or of unequal conditions, are to be attributed to one class of the people more than to another, we may not be insensible to the disadvantages under which many of our fellow creatures live. In fact, people generally not only recognize the difficulties under which a portion of their community has to struggle in the battle of life, but would cheerfully assist in bringing about a change which would render that struggle less unequal and easier. But this very practical, common sense method of solving the social problem is not acceptable to zealots in socialism. They appear to think that an entire change in the structure of society can be brought about by sudden and violent process. They would first destroy and then rebuild. The programme of operations, so far as we are permitted to know it, assumes that men can first be devils and then angels; for to rob and kill is the work of devils, while to construct happiness and prosperity upon the ruin and desolation they would bring about would be the work of angels.

Thoughtful men can hardly fail to conclude that questions of such vital consequence must be solved by peaceful and voluntary methods to have any chance of permanent success. Thus it comes to pass that the scheme of coöperation which struck Mr. Lowell so favorably commends itself to all who examine the subject thoroughly, and if Mr. Lowell had known of the

successful operation of the principle in Europe and the United States for more than half a century his lingering doubts would have disappeared. The writer had the same doubts before obtaining the information which he has offered in previous chapters, but was not only much surprised but completely satisfied with the evidence which the investigation furnished. When it is understood that between 150 and 200 industrial companies, many of them of large capacity, have been quietly working under coöperative or profit-sharing plans for many years with uniform success, and when in addition to industrial works we see the successful application of the principle, through systems of life insurance and pensions, to quite a number of railway companies, both in the old world and the new, it is evident that we are in the presence of the most effective remedy for social troubles in the department of labor which has yet been discovered.

An impressive and salutary lesson is taught by these intelligent and progressive movements, and the more we dwell upon the subject the more obvious it becomes that a grand idea has passed its experimental stages and offers itself as the best solution of difficulties which troubled the slumbers of the generous, broad-minded Mr. Lowell.

In this scheme of coöperation, applied in its various ways to manufacturing industries or to transportation agencies, we meet the only real grievance, if it may be thus termed, presented by the labor interest, inasmuch as we open the way through which the working classes can share in the profits of their industry according to its productiveness and according to the

contribution of each workman toward the product, when the plan is applied to manufacturing, and we provide a system of coöperation for meritorious and continuous service when applied to transportation. It is difficult to conceive of any fairer or more liberal scheme to both employer and employed. The former gains in the greater interest taken by the employee in the success of the industry or agency, which would be quickly manifested in more efficient and economical service; while the latter would gain in the ratio of prosperity and according to the merit and constancy of his work.

Reference in a previous chapter has been made to minor experiments in the coöperative line, especially in stores conducted upon the idea of supplying the members of an association with goods at a small profit to pay operating expenses. These proved to be failures for reasons already given, but they furnish no criterion of a policy which has proved eminently successful in numerous instances, both in the conduct of industrial enterprise and in the department of transportation. These coöperative stores in fact were, in most cases, not connected with any industrial enterprise, but were separate associations, and not having the aid of an industrial enterprise were brought into immediate competition with large establishments which had obvious advantages in capital and experience.

The system of coöperation advocated in these papers is in no way identical with the schemes which look to government for direction and control. The success of the plan depends upon its voluntary adop-

tion by employers and its acceptance by the employed, and as hitherto stated, the fundamental idea is that the system will prove mutually beneficial. Individual independence and individual responsibility are to be preserved, and no one is asked to surrender his personal identity or personal ambition to be conglomerated in a mass which would blend intelligence with stupidity and ability with incapacity. In short, while the coöperative system, as illustrated in the examples given in industrial and transportation companies, is intended to meet and rectify the imperfections of the social status, it will owe its success to the obvious advantages of giving to labor an incentive which will make it more profitable to employing agencies, not by harder work but by its superiority over mere perfunctory service. Mutuality of interest is the keynote to this programme of coöperation. It is not only easy of application but with equal facility it can be adapted to any form of industry.

In the department of manufacture it can be applied in various ways, but perhaps the methods adopted by Mr. Alfred Dolge and the N. O. Nelson Manufacturing company, sketches of which have been given in former chapters, furnish good examples. The workmen under these plans receive in the first place fair wages, and in the second have an interest in the net profits of the business after deducting all expenses, and a fair interest on the capital invested. The principle can be applied to agriculture in the same general way, but would be even more simple. By way of illustration we will suppose a farmer to engage his hands for the year or the season, at stated wages for the time. He



then agrees to give them an interest in the net profits, according to the skill and capacity of the laborer, based perhaps upon wages as a criterion of the quality of service. At the end of the year or season the farmer charges the account with the interest on the cost or estimated value of his land, building, implements, live stock, etc., and a fair compensation for his own services as superintendent, and from the net profits thus established the farm hands receive the allotted percentage. If the enterprise is successful the addition to the wages will be a well merited reward to those who have contributed to the result. If the conditions are unfavorable and no surplus remains to divide the workmen will still have received their wages, and the farmer alone will be the loser.

In the department of transportation the system of life insurance and pensions represents the profit sharing adopted by industrial companies to the extent which these companies may contribute to the funds, or to the expenses of management, etc. The plans detailed in previous chapters have been in successful operation for some years and are perhaps as well arranged to carry out the design as any which collect the funds partly from the working force employed. The preference of the writer is for the establishment of a fund created entirely from the surplus earnings of transportation companies, instead of levying assessments on the wages of employees, but for reasons already given this will be impracticable until the conditions of railway traffic undergo a radical change for the better. In the meantime the experience of railway companies proves the advantage of the system so conclusively

that its adoption throughout the country would be an intelligent and progressive movement. In this connection it may be interesting to quote from a recent report of the Pennsylvania Voluntary Relief Department, giving the result of nine years of operation under the system which I have already described.

“The revenue of the fund is derived from three sources: First, dues of members; second, interest paid by the company on current balances; third, contributions by the companies to make up deficiencies.

During the nine years of the operation of this fund there has been paid into it by employees, in dues—

The sum of.....	\$3,957,242.78
To this has been added interest received on current balances, surplus fund, etc.....	93,725.30
Also contributions by the companies for deficiencies, company relief, operating expenses, etc. ....	898,042.94

Total revenue from all sources for the nine years ending Dec.

31, 1894.....\$4,949,011.02

The disbursements during the above period amounted to.....\$4,480,325.23

Of which sum there was paid in benefits:

For accident.....	\$ 722,565.15
For sickness.....	1,287,220.48
For death from accident.....	420,944.45
For death from natural causes.....	1,279,214.55

Total payment of benefits aggregating.....\$3,709,944.63

The foregoing statements show that the payments have reached an enormous total. Large as this total is it can convey no adequate idea of the good that has been accomplished or the distress that has been relieved. The benefits distributed by this fund have brought comfort to thousands of homes which, without them, would often have been destitute of the barest necessities; they have relieved the distress of the sick and their friends; the man whose calling exposes him to special risks has been able to feel that in case

of accident to himself, his loved ones will not be left without some means of support, and the dying have been comforted with the thought that some provision has been made for those whom they were leaving bereft of the strong arm and loving care that had ministered to their wants.

Membership in the relief fund is entirely voluntary, and any employee in good physical condition and not over 45 years of age may be enrolled therein upon making application to the person under whom he is employed. The membership at the close of 1894 numbered 33,405, which includes more than half the employees, and a much larger proportion of those who by reason of age and physical condition are eligible."

What more substantial proof of the beneficent results of this coöperative work could be desired?

A few simple facts like the foregoing are potent arguments in support of the coöperative policy, and of more real value to the world than all the socialistic literature of the times.

## CHAPTER XIV.

### COÖPERATION THE BEST REMEDY.

A reorganization of society upon any line suggested in socialistic plans, even of a reasonable character, would be necessarily a slow process; that is, if such reorganization should be attempted by any peaceful process, and even then it would require patient and careful work to be sure of real progress, so prone is man to adhere to old methods rather than to venture upon new. Nothing short of revolution could accomplish a quick change in the structure of society, and this would only last until another revolution had time to materialize; for the first would sow the seeds of the second, as certainly as the germs of the new growth in the vegetable kingdom are carried by storm and wind to neighboring soil favorable to their propagation. Violent or revolutionary methods, therefore, could not expedite the change, but would, in fact, greatly retard real improvement, because they would simply force a change which, being against the will of the employer class, and against the interests of the owners of property, could only last while the power to enforce remained. This would be of brief duration on account of the tyranny and injustice of the reconstruction measures. Social revolution can have no substantial foundations if it reduces a part of the people to a condition equivalent to servitude; and in the

reaction sure to follow, the cause which the revolution pretended to espouse would be injured and greatly delayed. This is not mere assumption; it is proved by numerous examples recorded in the history of civilized nations.

In a recently published work of Professor Robert Flint, of the University of Edinburg, called "Socialism," he says that when Proudhon, upon examination before a magistrate, after the days of June, 1848, was asked "What is socialism?" he replied: "Every aspiration towards the amelioration of society." "In that case," said the magistrate, "we are all socialists?" "That is precisely what I think," said Proudhon.

If the magistrate had added that the point of disagreement was to be found in the methods of accomplishing this amelioration, he would have been more correct. Proudhon's method, like that of most of the French socialists, embraced propositions so radical and defective that practical men of intelligence reject them at once as unsound and visionary. We may all agree that the removal of poverty and disease would be a blessing to humanity, but to favor a plan for their removal which would inflict greater evils upon the community, would be insanity. And this is the fatal objection to all socialistic plans which have been given to the world, except in the idea of coöperation.

But the coöperation which these papers advocate involves no change in the structure or organization of society which is not the result of voluntary action. If it succeeds at all it will owe its success to the fact that the mutual interests of employers and employed are consulted. Society moves on as before, subject to such

improvements as may urge themselves upon the individuals which compose it. It calls for no violence and no injustice, but simply points out a way to interest and utilize labor in order to make it more efficient and profitable to employers and employed.

But employers may ask : "Why should we change our method of doing business? We are satisfied to conduct it as heretofore." The answer is, that prosperity under the coöperative or profit-sharing plans, as herein advocated, is likely to be more permanent, and at the same time the employing agency will be able to contribute to the great object of elevating labor in the social scale. Man is induced to work, first to sustain life ; and, second, to provide for those who are dependent upon him. It is therefore certain that any work in which he engages, which yields to him his customary wages and gives him in addition the chance of adding to them a moderate share of the profits of the industry, will stimulate him to greater exertions in the work which is to contribute to the profits of the industry. Not only will he work with greater earnestness, but so far as economy will aid in producing larger profits, he can hardly fail to assist in that way.

Any industry or any transportation agency which has the benefit of the intelligent coöperation of its working force, influenced by personal interest, must have a great advantage in this good will on the part of that force, and the work of such a concern will not only be superior, but its cost will be reduced to the lowest limits commensurate with satisfactory work. If this is a reasonable and logical expectation, industries

or agencies conducted upon the coöperative plan will yield more satisfactory profits than those which adhere to the old system, and in order to compete with them the system will be adopted by most of them. No compulsion is needed to bring about a change which will be beneficial to employer and employed. It is not simply in the interest of labor that coöperation is urged in these papers, but because it is believed to be an arrangement which will benefit employers quite as much as the employed. The system has passed through the experimental stage and may be pronounced a success. Why then should it not be tried by enterprising men in all branches of industry, whenever opportunity offers? It is possible that many improvements may be introduced to adapt and perfect the general plan. So much the better, for its progress will be the more rapid and the more successful. The scheme in its general scope appeals to the highest and noblest sentiments of man, and its development will furnish to the world a powerful antidote to the poison of extreme socialism. The evidences in favor of the system accumulate, as we investigate, not only in the practical examples given, but in the encouraging words of intelligent writers who have made the subject of socialism a study.

Professor Flint, from whose excellent work on socialism I have quoted at the beginning of this chapter, has the following reference to the subject under consideration :

“The various forms of coöperative production and industrial partnership, which have been tried within the last sixty years, are the beginnings of a perfectly

legitimate movement which may reasonably be hoped to have a great future before it. Its aim to make laborers also capitalists, sharers of profits, as well as recipients of wages, is admirable. In principle it is unassailable. The difficulties impeding it are only difficulties of application, and arise from causes which the growth of intelligence and self-control, the spread of mutual confidence, the acquisition of commercial experience and the increase of pecuniary means will diminish." \* \* \* "One of the most interesting, yet difficult, of the themes connected with the industrial organization of society is that of participation in the product of labor, or profit-sharing by employees. It is plain that the conditions of workmen must be greatly improved, even in countries like our own, before the system can become more than subordinate and supplemental to that of wages; but that in this latter form it may increasingly and with ever growing advantage be introduced, seems also certain. The regularity and certainty of the laborer's remuneration, which are the great merits of the wages system, are necessarily gained at the expense of a concomitant variation in relation to demand and prices, which is also a merit, and which can only be secured through profit-sharing. As the great obstacle to the development of profit-sharing is the want of a right understanding and of sufficient trust between employers and employed, the extension of the system will be at least a good criterion of the progress of a truly harmonious social organization."

Dr. Flint's idea of coöperation differs materially from the system supported in these papers. This is



evident from his allusion to the regularity and certainty of remuneration under the wages system. But we do not propose to interfere with the present wages system. It is an annex to that system intended to secure a larger share of the profits of labor upon condition of faithful adherence to the contract. In such cases, the workman will receive his wages as regularly as under the present system, and the additional advantage of a moderate share of the profit, in case any is made. The old idea of coöperation and the one which Dr. Flint has, I think, in mind, was in the establishment of industrial works by workmen themselves, by means of capital by them contributed. Under such a plan the workmen would not only own and control the whole plant, but would manage it throughout, and distribute its entire net profit to the workmen who had contributed. In this way they would become proprietors and employers, as well as employees, with this difference; that in the one case they would receive regular remuneration, while in the other they would be obliged to depend upon the profits of their industry for any compensation beyond the necessities of life. The difficulty of conducting such industrial works under the old method, I have already explained, but the importance of the points leads me to refer again to the objections given. In coöperative or profit-sharing works on the plan to which Dr. Flint evidently refers, the workmen, who became proprietors, as well as employees, are obliged to assume all the risks and responsibilities of the enterprise, and this, it is obvious, I think, they cannot do without incurring hazards which they should not be expected to run. If

manufacturing industry was always successful and profitable, there would be no trouble, but we all know that such concerns are subject to all the conditions of industrial and commercial life, and, therefore, while striving for, and hoping for success, we must not ignore the possibilities of reverse and loss. Such misfortunes would subject these small working proprietors to the risks of extreme poverty and destitution to which they should not be exposed. Failure in such cases would overthrow the system, and interpose formidable obstacles to a method of relief, which if intelligently and fairly carried out, would be of inestimable advantage to the working classes.

If workmen, as they may, become capitalists and choose to establish works for themselves, as individuals or as proprietors in a corporation, no objection is offered here. Numerous cases of this kind can be cited. Nothing is more common or can be more natural. But this is not coöperation.

We propose to leave individual rights and individual liberty precisely as they now exist and to urge no change in the relations between employers and employed which will not commend itself to the two parties in interest. If the reasons I have given are sound the industrial or transportation agencies conducted upon the profit-sharing lines, or upon the system of life insurance and pensions described, will prove so much superior to the old system as to bring about a peaceful revolution, mutually beneficial to employers and employed.

A serious obstacle to coöperative establishments upon the old lines, that is, in a combination of work-

men to contribute the necessary capital for plant and supplies of raw material, by which they may become proprietors, and, therefore, the recipients of all the profits, is perceptible in advance ; but can never be fully realized until practical experience has developed the trouble. Success in manufacturing, as well as in commercial enterprise, depends very much upon the skill, knowledge and experience of the managing director, or whoever stands at the helm. Such a man would be indispensable and can seldom be found in the ranks of the workmen, although his duties would in most cases be assumed by some leading and intelligent member of that body. But the commercial training necessary to such a man would be utterly lacking in the very capable workman, who would be as little qualified to guide and manage the enterprise as he would be to navigate a ship. Such talent and experience could be employed no doubt ; but not on the coöperative plan, and in yielding on this point the weakness of the scheme on the basis of proprietorship is at once exposed.

One of the conspicuous fallacies of socialism is laid bare in an examination of this subject, so far as it relates to coöperative work pure and simple, as illustrated in proprietorship. It is claimed that capital, being the product of labor, belongs to all, and that it should bear no interest. It is claimed, too, that the profits of labor, as in industrial works, should be distributed among the laborers who have done the work.

Now suppose workmen combine to own and operate their own plant. Buildings and machinery will be necessary. How shall they be procured? If the

answer is that the workmen will themselves erect the buildings and construct the machinery, how will they be compensated for this work? If they pay themselves, or, in other words, work for nothing, how are they to live during the process of construction? Even they must buy brick and lumber, and inasmuch as the machine shops which turn out the machines are not generally identical with the factory which produces textile fabrics, how are these workmen to be compensated for their labor, without the use of capital?

The shortest, and evidently the easiest answer to these questions, is to offer the plan of confiscation embraced in the idea of abolishing all private ownership of property. In that case the buildings and machinery could be seized and run on communist principles. This leads us back to the paternalism of Bellamy, or the anarchy of Kropotkine, which I have already discussed at length. An endless chain of difficulty presents itself in all forms of coöperative industry founded upon confiscation and governmental control, or which ignore the great fact of mutual obligations and mutual responsibilities throughout all conditions of life. Schemes of improvement which make a change in human nature a condition of success, are idle and foolish. When we solve the problem of the quadrature of the circle and establish perpetual motion, we may, possibly, approach the perfection of humanity ; but until then it is but a waste of time to consider dreams and purely speculative theories.

Coöperative, or profit-sharing industry, as supported by this series of articles, having been in prac-

tical and successful operation for sixty years, in many manufacturing industries, and as illustrated in the system of life insurance and pensions, which has been introduced in the business of railway transportation, with the most satisfactory results, it seems to be entitled to the attentive consideration of all who believe men are called upon to give thought to the social topics of the time. If there is social unrest in the civilized world, a fact which will be hardly disputed, we are bound, not only as Christians but as parts of the human brotherhood, to give careful examination to all plans which contemplate man's improvement and elevation in the social scale, and in the United States, especially, where the liberty of the individual is a marked feature of our system of government, we are bound to study plans which may render that personal liberty more precious and more enduring. In devoting ourselves to this work, we may accomplish a double purpose; first, in baffling the schemes of social fanatics whose wild propositions would, if carried into effect, destroy our social system, overthrow popular government, and reduce the people to slavery and degradation.

Influenced by these ideas, the writer has devoted more time to the subject of socialism than he had intended at the outset, more and more impressed with the importance of meeting all reasonable demands of labor fairly and liberally; while, at the same time, he has availed himself of the opportunity of analyzing such plans of socialist leaders as he could reduce to comprehensible shape. Among these plans the anarchist propositions are the most outspoken, and, it

may be added, the most dangerous and revolutionary. It is not necessary to conclude that these dark and impracticable plans are as threatening or as near to fruition as the authors would have us believe, nor must it be inferred that any very large body of genuine socialists favor such reprehensible methods; but it will be useful to examine the line of thought followed by the over-zealous and fanatical, in order to show the more reasonable and intelligent of the socialistic converts the folly and impracticability of schemes which are advocated by their pretended allies, the wild and ferocious anarchists of the Kropotkine school.

The theory of the writer, fortified by innumerable examples of its truth, is that a vast majority of the people, whether in sympathy with the humane features of socialism, or whether they remain neutral and indifferent in regard to such questions, will always be found on the side of justice, law and order, whenever it becomes necessary to define their positions. With this abiding faith in the patriotism, fairness and honesty of the people who live under and control this free government, and confident of the triumph of common sense over the insane teachings of men who froth and rave, but accomplish nothing, the writer has tried to convince his readers by a process of reasoning which depends mainly upon its clearness and simplicity, that there is but one way to bring about a real improvement in the social conditions of the working classes; that is, by adopting plans which are founded upon justice, and which are grounded upon mutual advantages. In this direction there is reason for strong hope. To such conclusion, intel-

ligent men are led irresistibly as they examine the subject.

The particular branch which interests the writer, is railway service, and in that line of industry the evidence in favor of applying a system of life insurance and pensions, dependent upon faithful and continuous service, is conclusive. Adverse conditions offer serious obstacles to the scheme, so far as it calls for contributions from the companies, for until railways can earn reasonable compensation for the service performed by them, they are powerless to contribute, even moderately to the development of a method so humane, considerate and effective for the relief and benefit of their employees. Railway employees are, and should be, well paid, not only because the service calls for more than ordinary intelligence and care, but because it is extra hazardous. Constantly exposed to dangers which no human foresight can avert, there is quite as much reason to provide for sudden loss of life or disability as in military service. Men worthy of the great trust confided to them, in guarding the lives of millions of travelers, should be made to feel that in case of accident they will not be helpless, but that a faithful discharge of their high duties will ensure them that protection which courage, devotion and watchfulness should secure for them. The time is not, I hope, far distant, when railway companies can contribute more liberally towards the establishment of these systems of relief for the benefit of employees; but meantime, the earnest coöperation of the employing agency and the employees who are to be the beneficiaries will be necessary. If an examination

of the systems now in successful operation in Great Britain and in this country leads to their more general adoption, a very practical and substantial good will engraft itself upon railway service, alike beneficial and creditable to employers and employed.

Finally, after an earnest, sincere and thorough study of current socialistic literature, on both sides, the conclusions of the writer are, that the principles of coöperation, founded upon mutual interests, offer the best solution of the social problem available, and the only one which seems to have the slightest chance of real and permanent success. Some men may prefer to dream of Utopia and the millennium, but people, generally are disposed to look upon human nature in the light of their own experience, fortified and intensified as it is by historical precedents, running through centuries of human life.

Whatever real strength abstract socialism has in the world is the outcome of just and humane feeling, that is, in deploring the inequalities in human conditions and in supporting measures of relief and amelioration. The idea of accomplishing a cure of these troubles by acts of violence and gross injustice has no currency except among fanatics and men of unsound minds. If this is true, the mad schemes of anarchists and communists which propose the destruction of society and reconstruction upon its ruins, can never have any substantial support beyond that of the inconsiderable fragment which seeks to inculcate its doctrines by intimidation through bombs and assassination. It is not hazardous to assert that this murderous element is comparatively weak in numbers



and insignificant in influence. May we not conclude that the fundamental principles of socialism are the outgrowth of humanity and benevolence? Is it not more reasonable to believe that a large body of high-minded and conscientious men favor the elevation of humanity by measures which recognize justice as an indispensable requisite, and practically as of the most vital importance in any change of the social status?

Intercourse with our fellow citizens in different parts of the country leads to the belief, that while socialism in the direction of improving the condition of the working classes has become quite popular, it has made little or no progress in its offensive features. I feel so much confidence in the intelligence and patriotism of the great body of the people of the United States, that I do not share the apprehensions of those who take surface indications as a proof of an unhealthy state of public opinion.

Feeling this confidence in the loyalty, patriotism and good sense of the people, I believe the theory of coöperation, as approved in this series of papers and supported by many years of practical experience in this and other countries, will receive fair and earnest consideration. Beneficial results can scarcely fail to follow such an investigation.









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