THE FACTS of SOCIALISM

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BY

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CHAPTER I

THE SUBJECT OF STUDY

Arguments More Plentiful than Information. The day is past when it was a difficult task to arouse the American public to an interest in Socialism. The magazine is rare that does not contain some article on the subject, and on the newsstand we see regularly not only the propaganda papers of the Socialists, but also periodicals issued in avowed hostility to the movement. While we are confronted everywhere with arguments for and against, the present demand is not so much for arguments as for facts. There are difficulties in the way of securing the latter that can be appreciated only by the honest inquirer. The question, "What Is Socialism?" addressed to an anti-Socialist magazine will elicit information directly contradicting that which may be received from a Socialist organ. A writer in apparent sympathy

with Socialism shows her utter ignorance of the subject by making the touchstone of the heroine's Socialism her refusal to inherit a fortune. If we turn to the Socialists for definition, we are confronted by the old question—Do the Socialists agree among themselves? At a recent debate held in a Socialist party branch, the opponent clinched a certain statement by quoting from a pamphlet that had been sold to him in that very hall. He was naturally indignant when told that his quotation was valueless for the purpose, being taken from a publication of the Canadian Socialist Party, whose policy on certain points differs materially from that of the party in America. It is instances like this that have given rise to the saying that Socialists are of "57 varieties."

Courses in Socialism are now given by the economics departments of many American colleges. While some of these courses are satisfactorily adapted to meet the need that has arisen, with others there is a real deficiency, due to the very singleness of scientific purpose. A study is made of Marxian Socialism as a system of abstract economics, the development of the doctrines by German Socialists is further taken up, and with the so-called attack upon Marxism by the Revisionist Bernstein the course ends. "But what

of present-day American Socialism?" asks the student. "Is it Marxist or Revisionist? What is its attitude toward the labor union, the family, religion, patriotism? What are the planks of the platform for which it asks our suffrage?"

"There is no American Socialism," replies the professor. "Marxism lived and died in Germany. Those who call themselves American Socialists are either the negligible 'have-nots,' banded together for vague revolution under an obsolete philosophy, or else mere reformers, whose efforts toward democracy and labor legislation may best be studied in connection with these specific reforms." The second part of the course is probably, therefore, a detailed study of social reform movements.

The Work of this Book. It is to supply the vacancies left by such college courses and to present to non-collegians the facts, as far as possible, undimmed by the smoke of controversy, that this book is written. What is needed are the data as to the movement in our country calling itself Socialism, its relations to Marx, labor unionism, the family, the church, and the state; its ultimate program, its immediate platform, its leaders, organization and present policy. The study of this movement must include also an outline of the

general Marxian theory and a brief sketch of Socialist history throughout the world; but the American point of view will be adhered to, and only such foreign developments will be touched upon as are essential to the comprehension of Socialism in the United States.

The Study of Present Conditions. While the limits of this volume forbid an investigation of present-day social conditions, it must here be said that it is impossible to obtain a grasp of Socialism without such study. Under all Socialist thought and action, existing as the motive power of theory, demands, and tactics, is the deep conviction that the present system has been tried and found wanting, that Socialism is not only inevitable but preëminently desirable for the happiness and development of the race.

The facts are with us all and acknowledged by all. Child labor still exists, legally or illegally, in most of our states; prostitution is as yet hardly attacked, and its most hideous development, white slavery, has but recently been brought to light. Preventable social diseases are allowed to kill hundreds in every generation, and industrial accidents equally preventable continue to leave families desolate or to throw men upon the scrap-heap before their time.

Poverty is widespread, while industry is characterized by waste on an enormous scale. Sociologists are determining the standard of living in the United States, and are discovering also that a large percentage of workers are struggling helplessly below this standard. The cost of living rises each year; the trusts are known to be enriching themselves at the expense of the consumers; yet the trusts live and prosper in defiance of regulation and court decrees.

Political corruption has become the normal state of our cities. Newspapers tell us each day of strikes that are real battles, where workmen are shot and taken prisoners. Worst of all, the evil of unemployment grows every year more serious in its consequences and more deeply rooted in our industrial system.

Sociologists everywhere are investigating the causes of these conditions; organizations without number are in the field to fight them.

The non-Socialist reformer believes that the evils of society can be removed under the present system; the Socialist maintains that they are for the most part inherent in it, and can be eliminated only by a revolution. Unless the reader, therefore, has more than a superficial knowledge of our present problems, unless he has made some

study of their causes and the efforts made toward their solution, he will be unable to comprehend Socialism as it really is, an outgrowth of present economic conditions and present social discontent.

Authorities for the Subject of Socialism. The Socialist movement is an international one, holding international congresses every three years and having maintained since 1900 a permanent International Socialist Bureau at Brussels. The bureau is composed of two representatives from the organized movement in each country, and in the United States this representation is divided between the Socialist Labor Party and the Socialist Party. While both parties must therefore be considered the accredited spokesmen of American Socialism, it must be noticed that the Socialist Labor Party has been steadily declining since its zenith in 1898, having fallen from 82,204 at that date to 29,000 in 1912, not much more than a thirtieth of the Socialist Party vote.*

Mention will be made in these pages of any important points wherein the policy of the Socialist Labor Party differs from that of the Socialist Party, but with this reservation the latter will be taken as typical of American Socialism. In our inquiry as to the facts of the movement the final

* Hillquit, Socialism Summed Up, p. 105.

authority will be the official utterances of the party as found in its national, state and municipal platforms, in its weekly and monthly bulletins, and in the propaganda publications issued from the national headquarters. These official pronouncements must frequently be supplemented by authorities of a second grade, namely, the unofficial Socialist press, the books circulated by the party, especially those on the list of the national office, and the statements of party leaders.

Socialist "Leaders." The expression "party leader" is far from being a Socialist one, for the Socialist philosophy is opposed to the "great man theory," and the Socialist practice is democratic to a fault. While affection is freely bestowed upon such men as "Gene" Debs, hero-worship is indignantly repudiated and any assumption of leadership on the part of a trusted executive never fails to receive a sharp rebuke. Even a democratic movement, however, must have its mouthpieces and representatives. The great mass of the party consists of workingmen untrained in power of expression and without leisure to devote to public office. The records of the referendum, universal among Socialists, furnish a fairly good method of discovering the attitude of the rank and file, but long experience in the party routine

is needed to give real understanding of the inarticulate "Jimmy Higginses" of the movement.

While we must then take as representative the utterances of picked men and women, we shall arrive most nearly at the collective mind of the party if we select not necessarily those best known to the non-Socialist world by their personal brilliancy, their scientific consistency, their moderation on the one hand or their sensationalism on the other, but those who have been elected by vote of the membership to offices of trust and responsibility. It is chiefly from neglect to follow some such objective standard of authority that the apparent confusion has arisen over the essential nature of Socialism—that Roosevelt has quoted as final in American Socialism the opinions of the English biologist Pearson* and of the former French Socialist Deville, and that The Common Cause has produced as evidence the fulminations of the disgruntled minority in letters written to the Socialist press.

In order to avoid such errors as these we will count as the leaders of Socialism in America only those men and women who have recently held the most important party offices, the National Committee of 69, the National Executive Committee

*Outlook, V. 91, p. 620

of five members, the Woman's National Executive Committee of 7, the candidates for President and Vice-President of the United States, and those who have been elected to the highest political offices yet held by Socialists—Congressman, State Senator and Assemblyman. We are thus compelled to exclude from the category a number of powerful thinkers and personalities whom the writer would willingly take as typical of Socialism, but in a matter beset with such confusion it is well to avoid personal estimates and keep as closely as possible to a definite objective criterion.

We must remember, furthermore, that Socialism is far from being an isolated movement. In close association with it, on the one hand, are the Socialistic reformers of various types, and, on the other, the great mass of non-Socialist organized labor. Certain non-official societies also, such as the Socialist Schools, the Christian Socialist Fellowship and the Intercollegiate Socialist Society, are in constant interaction with the Socialist Party, to say nothing of the great forces of international Socialism, by which the experience of England, Germany or France is immediately shared by the "comrades" in America.

Inconsistency Unavoidable. Partly as a result of these outside influences continually playing

upon the movement, more fundamentally as a result of varying economic forces, we find constant shiftings of emphasis in theory and practice, showing themselves in changes of leadership. While frequently, therefore, we shall meet with inconsistency in our study of American Socialism, we must not forget that, when inconsistency quite ceases in a movement, we have a certain indication of crystallization and death.

Suggested Reading

(While the scope of this volume does not include the investigation of present conditions, it is impossible to obtain a grasp of Socialism without such study. The following books will be found helpful:)

Robert Coit Chapin—Standard of Living in New York City.

Scott Nearing—Wages in the United States.

John Spargo—The Bitter Cry of the Children.

Frank Streightoff—Distribution of Incomes in the United States.

Adams and Sumner—Labor Problems.

Bulletins of the National Child Labor Committee.

Annual Report of the Commissioner of Labor of New York State.

Topics for Reports and Discussion

The Treatment of Socialism in the General Text-Book on Economics; The Ideal College Course in Socialism; The Typical Anti-Socialist Article; The Typical Socialist Speech; The Attitude of the Daily Press Toward Socialism.

Is the Condition of the Workingman Inferior to that of his 14th Century Predecessor?

Are Reforms Keeping Pace with Industrial Development?

What are the Three Most Pressing Social Problems of the Present Year?

To What Extent Are These Problems Dependent Upon Economic Conditions?

CHAPTER II

AN HISTORICAL SKETCH

Utopian Socialism. The ideals of a coming social millennium which had appeared sporadically under different civilizations in the writings of such men as Plato, Campanella and Sir Thomas More received a new impulse in the period following the French Revolution. The relics of feudalism in that country had been overthrown, political freedom had apparently been achieved, but classes and oppression remained. Furthermore, the Industrial Revolution, with its running mate, the *laissez faire* system, was accomplishing its perfect work, and the social evils attendant upon capitalism were becoming for the first time evident.

Certain humanitarian philosophers, notably in France and England, set to work to formulate schemes for an ideal condition of society, in which poverty and oppression should no longer exist, but all men live as brothers. From the fact that

these ideal societies were generally based upon the notions of Thomas More's "Utopia," a name meaning "nowhere," these pre-Marxian Socialists are known as the Utopians. The adjective *Utopian* is now used definitely in Socialist parlance to denote any social ideal which is to be attained not as a result of impersonal social evolution, but through the deliberate choice of society or its ruling class.

St. Simon (1760-1825). Henri de St. Simon, a brilliant French nobleman who numbered among his disciples some of the greatest geniuses of the time, perceived clearly two points—that the capitalist system is essentially wasteful and unscientific, and that social prosperity requires the state to work in the interests of the classes at the bottom rather than at the top of the structure of society. His Utopia was to be of an aristocratic character, under the government of a board of intellectual experts, but was to be based, like modern Socialism, upon the ownership by society of the tools of production.

Robert Owen (1771-1858). An English "captain of industry" who had achieved great success in cotton manufacture, Robert Owen saw further than his contemporaries in that he declared the importance of environment as a cause

of character. He applied this idea in his own mills at New Lanark so thoroughly as to revolutionize the physical and moral condition of the operatives, and by his practical charitable projects won the attention and esteem of benevolent rulers in England and elsewhere. Being no mere philanthropist, however, Owen would content himself with nothing less than an ideal commonwealth in which profit should be eliminated and each worker receive the entire fruit of his labor. This Utopia could be realized, he believed, in a voluntary community in the land of promise, America, and toward the end of his life Owen hopefully sacrificed his fortune and his health in an attempt to build up a coöperative community with a handful of discontented emigrants at New Harmony, Indiana.

The Word Socialist. It was in connection with Owen's Utopian schemes and followers that the word "Socialist" first became current.

Since the ideal of political Socialism had not yet arisen and since the Utopia involved of necessity a society new and ready-made rather than one to develop naturally from its predecessor, it was natural that the chief practical outlet of this early Socialist thought was in the direction of communistic experiment.

Proudhon and Blanc. Proudhon, it is true, while he attacked capitalist society most vigorously in the dictum, "Property is theft," was less a Socialist than a precursor of the philosophical anarchists.

Louis Blanc, on the contrary, was both a constructive and a political Socialist. Utopian in that he expected the coöperative commonwealth to be adopted voluntarily before economic development had forced it upon society, he succeeded in gaining the consent of the revolutionary government of 1848 for his scheme of state workshops. The result was what might have been expected. Backed by no powerful working-class movement, and with the half-hearted support, some say the practical betrayal, of his plan by the middle-class Provisional Government, his workshops failed, to be brought forward ever afterwards as an example of Socialist futility.

Fourier (1772-1837). The French Utopians who influenced their times most vigorously, however, were two community builders, Fourier and Cabet. A strange combination of social enthusiasm, practical sagacity and eccentric philosophy, Fourier succeeded in creating an ideal which inspired more constructive action than any other up to the time of Marx. He was the

originator of an elaborate system of philosophy in which passions, attractions and mystic numbers played their parts, and made it the basis of a projected society which in its complexity, rigidity and artificial character has justly been responsible for much of the invidious connotation of the word "Utopian." The unit of his society was the phalanx, a communistic establishment whose population was fixed at the number of 1,800, to be united on principles of attraction. While in true Utopian fashion coercion was to be unknown, and labor was to be performed only in correspondence with one's natural affinities, there are points which show decided worldly wisdom, as where incomes are assigned in varying proportions to labor, talent and capital.

The effect of Fourier's project was greatest in the United States. Such men as Horace Greeley, Charles A. Dana and the elder Brisbane entered heart and soul into the communistic movement, and during the decade from 1840 to 1850 phalanxes sprang up in various parts of the country. Most of these were short-lived and unsuccessful; three of them, however, lasted long enough to be of experimental value, one of these, the North American Phalanx, surviving for twelve years, another, the Wisconsin community,

achieving distinction by disbanding at the end of six years with some property to its credit, and the third, Brook Farm, by uniting in one household such choice New England spirits as Margaret Fuller, the Alcott family and Nathaniel Hawthorne.

Cabet. Unlike Fourier, Etienne Cabet was a political revolutionist. Having been banished from France in 1834, he occupied himself with writing a scheme for a commonwealth of equality, Icaria. Somewhat to his surprise, his plan was taken seriously and multitudes of the discontented begged to be led to the promised land. In a few years Cabet found himself at the head of a large expedition setting out under favorable auspices for Texas. One disappointment after another thwarted them, however, and they were forced by misfortunes and internal dissensions to change from state to state the site of Icaria. After years of struggle, Cabet died, leaving several Icarian communities, the last of which was not dissolved until 1895.

By the middle of the 19th century the communistic fever had spent itself. Between 1825 and 1850, aside from the more or less famous religious communities, the story of which does not belong to this study, the United States had seen

as many as fifty Utopian attempts. The experiments had not all been absolute failures, but their ineffectiveness in bringing the millennium had been demonstrated; moreover, they had left deeply engraved on the American mind the impression that Socialism was identical with communism, and that it had been weighed in the balance and found wanting.

Conditions in America. In the eighteen-fifties Socialism could exist in the United States only as the dream of the transcendentalist. The declaration that all men are created free and equal was still ringing in our ears; the establishment of republican government and the abolition of titles of nobility had intoxicated us with the apparent possession of political freedom; most important of all, free land existed in plenty for everybody, and each year saw poor boys becoming rich by their enterprise in exploiting the national resources.

But one social problem was recognized, that of Southern slavery, which almost solely occupied the minds of philanthropists until after the Civil War.

Conditions in Europe. Across the Atlantic, however, the vague discontent which at first had been articulate only among the benevolent Utopi-

ans had become more and more an expression of the oppressed workers themselves. In backward Germany, to be sure, the uprising represented chiefly the belated political revolt of the middle classes, but the Chartist movement in England was of the workingmen, and the Revolution of 1848 combined a new chapter of the political struggle with an attempt at the application of communist principles in the projects of Louis Blanc.

Beginnings of Marxism. It was during the ferment of 1848 that modern or Marxian Socialism was born. The philosophy of Hegel, then prevailing in Germany, had done much to prepare men's minds for the notion of historical evolution, especially the significant idea that social, ethical and political systems are not fixed for all eternity, but themselves subject to change. While Hegel's own philosophy had taught an evolution of an abstract and spiritual order, the young Hegelians, of whom Feuerbach and Bruno Bauer were leading spirits, divested it to a great extent of its mystic implications and made it the basis of their creed of political revolution.

Karl Marx. It was for Karl Marx, a brilliant young Doctor of Philosophy just entering upon a career as a radical journalist, to turn Hegelianism into what he considered a wholly materialist

theory of evolution. As an introduction to Marx and Marxian theory, we cannot do better than to quote the tribute of Professor E. R. A. Seligman in his book, "The Economic Interpretation of History":

"Whether or not we agree with Marx's analysis of industrial society, and without attempting as yet to pass judgment upon the validity of his philosophical doctrine, it is safe to say that no one can study Marx as he deserves to be studied—and, let us add, as he has hitherto *not* been studied in England or America—without recognizing the fact that, perhaps with the exception of Ricardo, there has been no more original, no more powerful, and no more acute intellect in the entire history of economic science."

In the same way that the mysticism of the Hegelians became at the hands of Marx the doctrine of economic materialism, to be explained in a later chapter, the political radicalism of the young German movement developed with him into an ideal of genuine social revolution. Exiled from Germany because of the boldness of his utterances, he took refuge in Paris in 1843, where association with Proudhon and other like-minded spirits confirmed him as a Socialist. The word "Socialist," however, had by this time become so

identified with experiments of a Utopian character that the growing band of revolutionaries termed themselves rather "Communists," forming in the year 1847 *The Communist League,* and issuing as a declaration of policy in 1848 the famous *Communist Manifesto.* This document which still forms the classic statement of Socialist doctrine, was the work of Marx and the man whose lifelong friendship with him had begun during the sojourn in Paris, Frederick Engels, a young German connected at that time with manufacturing interests in England.

The fortunes of the Communist League in the several countries of Europe were the fortunes of the uprisings of 1848. The majority of the members held sanguine hopes of a revolution to be achieved by the barricade, and even those communists who, like Marx and Engels, believed that revolutions are not made in a day, were carried along with their fellows to disappointment and exile.

The repressive measures which followed the abortive attempts of that year put a check to the open activities of the Communists for some time. Some of the more hot-headed members continued their work in the form of plots and conspiracies, but Marx and Engels devoted this

period, spent by them as exiles in England, to the task of elaborating the ideas of scientific Socialism, first outlined in the Manifesto. During this time Engels published his *Socialism—Utopian and Scientific,* and Marx *The Critique of Political Economy;* but Marx's crowning work, *Capital,* did not come out until the end of his career. Only the first volume was published by himself in 1867, the second being posthumously published by Engels, and the third written almost entirely by Engels from notes left by Marx.

The International. Before the publication of *Capital* revolutionary activity had begun again in the form of the International Workingmen's Association. This organization sprang up in England in 1864 as a result of a visit of some French workers to the International Exhibition. From the beginning it was guided by the experienced hands of Marx, Engels and Mazzini, and "The International" spread like wildfire through Europe, enlisting men under the slogan of the Communist Manifesto, "Workingmen of all countries, unite; you have nothing to lose but your chains; you have a world to gain."

The International was not a conspiratory organization, but merely a somewhat loose federation of workers for mutual aid in improving

their conditions. To the modern Socialist, or even the radical labor unionist of to-day, its program would appear moderate and vague, but its truly revolutionary ardor, its new doctrine of internationalism, and its assertion of the workers' right to combine in their own defence, were sufficient in 1864 to bring consternation to the "interests" in Europe. By the year 1869 it had reached its zenith, and to it were attributed impossible plots and impossible power.

The fall of the Paris Commune of 1871 marks the decline of the International, and internal dissensions proved its deathblow. A bitter struggle arose between Marx and Engels on the one side, who ever since the days of the Communist League had been attacked by the more fiery spirits because of their insistence upon the slow processes of education and political action, and Bakunin, afterwards the founder of modern anarchism, on the other side, who desired the International to plunge into the intricacies of conspiracy and secret revolution. The Marxian faction finally triumphed and Bakunin was driven from the organization, but the contest left it irretrievably weakened. The headquarters was transferred to New York in 1872, where The

International died an inconspicuous death four years later.

The Birth of the Socialist Parties. The International did not die, however, before the Social-Democratic Party had been born in Germany. In the early sixties Ferdinand Lassalle, the "wunderkind," as he was termed by Von Humboldt, had succeeded in uniting thousands of German workingmen in a movement which, while surprisingly moderate in its demands and methods, was yet based on Marxian principles and inspired by a thoroughly revolutionary spirit. When Lassalle's romantic career was brought to a close by his death in a duel in 1864, the movement did not wholly disappear, but lived on in Prussia until a more strictly Marxist body had sprung up in South Germany under the leadership of Wilhelm Liebknecht and August Bebel, the late veteran leader of the Socialists in the Reichstag.

The two groups differed in policy, a difference which still survives in the German party, the faction of Lassalle inclining toward what was afterwards called State Socialism, and Liebknecht and Bebel toward the "revolutionary" point of view. These divergences will be discussed later on. A union was effected, however, at Gotha in 1875, and the promulgation of the Gotha pro-

gram in that year marks the foundation of the German Social-Democratic Party and the entrance of Socialism into the politics of the world.

Socialist parties were formed in quick succession in France, England and the various countries of Europe, and in 1900 the International was revived in the International Socialist Bureau. This bureau, the headquarters of which is in Brussels, calls international congresses every three years, disseminates such information as will be valuable to the laboring classes of the different countries, and in general keeps the various Socialist parties working in unison.

Beginnings of Socialism in America.—As our main interest is in American Socialism, we may now look in somewhat greater detail at the beginnings of the movement in this country.

Soon after the Civil War the labor unions, existing before this time merely as local or temporary organizations, began to deal with permanent issues, to band themselves together into national federations, and at times to engage in political activity. The New York branch of the International indeed survived but a short time after attaining the headship of the association, but Socialism was already coming into existence as a definite force in the United States. On the

one hand, a knot of German refugees and immigrant workmen in New York were spreading the doctrines of Marx and Engels, and on the other several groups of American laborers were becoming imbued with revolutionary ideals and a desire to work for their own interests through a political party.

In 1874 these working class elements came together, forming what soon became known as the Socialist Labor Party, an organization still existing as the smaller of the two Socialist parties in the United States.

The Socialist Labor Party. For some years the Socialist Labor Party struggled under serious disadvantages. In the midst of the land of promise, where free land still invited the independent worker, where competition had not yet given way to monopoly, and where social problems had still to make their definite appearance, it was a thankless task to preach a foreign philosophy of discontent, to attempt to enlist under the banner of internationalism the proud patriots of a new and self-confident country, and to persuade the free-born American that his boasted equality was but a name and that the lot of the oppressed European worker was destined in a generation to be his own. The work of the

S. L. P., therefore, was confined chiefly to the dissemination of pure Marxian theory unadapted to American conditions, and in the few cases where political activity was attempted it was often in temporary alliance with some larger radical party.

The Struggle with Anarchism. An important crisis occurred in the early eighties when anarchism, long ago driven from the International in the person of Bakunin, threatened to win to its propaganda the entire American movement. A new organization, the International Working People's Association, made serious inroads upon the membership of the S. L. P., and a large element in the Socialist ranks was openly desirous of affiliation. In 1883, however, the situation was faced and the policy of Anarchism definitely repudiated. Some years later the anarchist movement was permanently crushed by the tragic execution of its leaders after the Chicago riots, and since that time its existence in the United States has been disorganized and indefinite.

Relation to the Labor Unions. The next serious problem to present itself to the S. L. P. was its relation to the labor unions, a subject which still forms a storm center in the tactics of American Socialism.

While a number of unions, chiefly in the vicinity of New York, had from the beginning been affiliated with the Socialist Labor Party, the two great national federations had grown up in response to local conditions and not, like those in Germany, as a result of Socialist agitation. The Knights of Labor, becoming a public organization in 1878 and reaching its zenith in 1886, united a radical declaration of principles with a conservative constituency and policy, while the American Federation of Labor, which before 1890 had grown to overshadow the Knights of Labor and is now the leading American organization, was moderate in its program, but contained from the first a large number of Socialists.

During the early nineties the Socialist Labor Party, whose constitution tended naturally to centralization of authority, had fallen under the control of Daniel de Leon, still in 1913 the leader of the depleted band. Although on friendly terms at the outset with both the Knights and the Federation, de Leon soon became involved in quarrels which brought the party as a whole in antagonism to each of these national bodies. By the creation of the Socialist Trades and Labor Alliance in 1895, a labor federation under the direct control of the party, a final breach

was made, and the Socialist Labor Party remains still in bitter opposition to all non-Socialist unions.

Secession from the S. L. P. Meanwhile the Socialist Labor Party was rapidly becoming a bigoted organization with its hand against every man outside of itself. Insurgency developed, whereupon a process of "purification" was instituted, by which heretics and insubordinates were expelled from the party. A revolt arose, led by the *New Yorker Volkszeitung* in opposition to de Leon and his paper, *The People,* then, as now, the official organ of the S. L. P. In 1899 the break proved final, and the seceding members proceeded to form a new organization at a convention held in Rochester in that year.

While the Socialist Labor Party in New York was gradually stagnating, Socialism was beginning to emerge in the West, in forms growing directly out of American conditions. Eugene V. Debs, whose imprisonment in connection with the strike of the American Railway Union had made him a Socialist, had rallied around him the remnants of his labor union into a vaguely Socialist organization. Another group, centering around two Socialist publications, "The Coming Nation," and "The Appeal to Reason," had in 1897 united

with these followers of Debs to form the Social Democracy of America. As the majority of the new party, however, inclined more to Utopian colonization schemes than to political action, a split took place almost immediately, and Eugene V. Debs and Victor Berger, leader of the Social Democracy in Wisconsin, bolted to found still another organization, the Social Democratic Party of America. It was to the last-named group that the Rochester wing of the Socialist Labor Party made its overtures for union in 1899.

The Socialist Party. Negotiations were at first fraught with much difficulty owing to the mutual distrust of the Eastern and Western sections. For a time confusion was even worse confounded and the presidential election of 1900 saw three Socialist parties in the field in New York in addition to the old Socialist Labor Party. For the purposes of this election, however, the three factions decided to bury their differences in a combination ticket; after a campaign of work together distrust disappeared, and all with the exception of de Leon's wing of the S. L. P. united in 1901 to form what presently received the title of the Socialist Party.

Suggested Reading

Thomas Kirkup—History of Socialism.

Morris Hillquit—History of Socialism in the United States (Revised Edition).

John Spargo—Karl Marx.

John Spargo—Side-Lights on Contemporary Socialism.

Topics for Reports and Discussion

The Distinction between Socialism and Communism; Great Names of American Communities; The Dialectic of Hegel; The Paris Commune; The Personality of Karl Marx.

Does the Success or Failure of a Community throw Light on the Question of Socialism?

What were the Mistakes of the S. L. P.?

What Has Been the Office of the "Intellectual" in the Socialist Movement?

Is Socialism Contrary to the American Spirit?

CHAPTER III

THE PRESENT SOCIALIST MOVEMENT

The International Socialist Party is represented in every country in the world that has advanced into the industrial stage, but it is strongest as a political factor in Germany, France and England.

Germany. The German Social Democracy has made a steady advance in power since the union of the North and South German divisions in 1875. Beginning as a mere party of protest, it soon obtained political representation in several of the German states, and even in the Reichstag. As early as the time of Lassalle, Prince Bismarck had proclaimed State Socialism, that is, the policy of social and collectivist reforms under the present capitalist government, as the best method of fighting the revolutionary doctrines of the Social Democracy, and the German government since that time have with few exceptions followed his example. The Socialists claim, accordingly, that

the greater part of the reforms and collectivist activities for which the German Empire is conspicuous have been inaugurated through the fear of "the red spectre" of Socialism.

In addition to the indirect influence thus claimed, German Socialists possess a large measure of direct political power, as they are now the first party in the empire numerically and the second (110 members) in Reichstag representation. The vote in 1910 reached 4,238,919.

France. As the French branch of the International was more or less involved in the Paris Commune of 1871, many of the leading spirits were forced to leave France. For several years Socialism was apparently dead, and it was not until 1879 that Jules Guesde, still the recognized Marxist leader in France, succeeded in founding a modern Socialist party.

From the beginning the French Socialists have labored under frequent dissensions and splits, four distinct parties existing in 1891. In 1905 the various branches were permanently united, but there is still a large proportion of the Socialist element active outside the main party. On the one hand are the individual Socialistic politicians, such as Briand and Millerand, who have resigned from the party discipline in order to take office

under a capitalist government; and on the other are the revolutionary syndicalists, whose reliance is on industrial rather than political action.

The Socialist Party has a strong representation in the Chamber of Deputies and a decided influence in national affairs. The vote of the unified party in 1906 was 896,000. In municipal politics the Socialists have scored several important victories, such important cities as Lille and Roubaix having been under Socialist control for several years. Institutions for the improvement of working class conditions have been established, such as free meals for school children, assistance for needy mothers, and the free crêche; but already the increase of taxes occasioned by these expenditures has turned away much middle-class support, involving in some cases the loss of the municipality to the Socialists.

Great Britain. Although the birthplace of Marxian theory, England has made little account of orthodoxy and party labels in its Socialism, but has accomplished much of its work by the aid of middle-class elements.

A Marxian body was founded in 1881 under the name of the Social Democratic Federation, numbering among its members H. M. Hyndman, E. Belfort Bax and the poet, William Morris.

Notwithstanding schisms at various times, it has remained the standard-bearer of pure Marxism, adhering strictly to the No Compromise attitude and maintaining a revolutionary position on most important points. It was later known as the Social Democratic Party, and in 1911 it united with other revolutionary elements to form the English Socialist Party. The membership has never been large, and its activity has been largely that of protest.

In 1884 the Fabian Society was founded, an organization of middle-class "intellectuals" including among other brilliant writers G. Bernard Shaw, Annie Besant and Sydney and Beatrice Webb. Its aim, to permeate society with constructive Socialist ideals, has been fulfilled with a large measure of success, and in addition to widespread literary influence it has been instrumental in making several British cities strongholds of municipal ownership.

A third body of English Socialists is the Independent Labor Party, founded by J. Keir Hardie in 1893 as a workingmen's party, devoted to Socialist aims and the methods of practical politics. In 1900 the I. L. P., while still keeping its identity, united with various labor unions, the Fabians, and for a time the Social Democratic Federation,

in what was first known as the Labor Representation Committee, and afterwards as the Labor Party. This organization has obtained considerable political success, and the group in Parliament numbers at present over 40. While the Labor Party claims a large share of credit for such legislative achievements as the recent inheritance taxation and old age pensions, it is attacked by certain revolutionary Socialists on the score of frequent alliance with the more radical of the English Liberals. The entire Socialist vote in England in 1910 was over 373,000.

Other Countries. The Socialists of Italy are more or less in the position of the French party. While they possess a strategic importance in the government, a large voting strength, and a considerable amount of municipal power, there are frequent serious dissensions, and a large Socialist element remains in the ranks of the syndicalists or in opportunist association with the prevailing government.

In the Scandinavian countries Socialism is united and strong; in Belgium it has a special means of influence in its alliance with the great cooperative societies. In Holland it has a voting strength of over 65,000, and in Austria of a full million. Socialism in Russia is of necessity secret

in its propaganda, and more or less involved in the general revolutionary movement, but it has a distinct existence, and a representation in the Duma.

Australasian Socialism is to a great extent overshadowed by the powerful labor parties that have accomplished such far-reaching reforms in agrarian and industrial matters. In both Australia and New Zealand, however, the distinctly Socialist Party is increasing, and claims that the radical legislation is futile except as a preliminary to genuine Social Democracy.

The United States. We may now return to the American Socialist Party and its progress after the reorganization of 1901.

Socialist Growth. Since that date the Socialist Labor Party, still distinguished by its exclusive policy and still under the leadership of de Leon, has dwindled steadily, its vote falling from 82,204 in 1898 to 29,000 in 1912. The Socialist Party, on the other hand, has as steadily increased. The vote rose from 97,730 in 1900 to 402,321 in 1904, 421,520 in 1908 and 901,361 in 1912. At the first date cited, and to some extent at the third, this vote included a certain proportion of non-Socialist sympathizers and "protestors"; that of 1912, however, is claimed as a

simon-pure Socialist vote, because the presence in the campaign of the Progressive Party and of a moderately radical Democratic candidate was bound to cut off all adventitious support.

The surest criterion of Socialist progress lies less in the vote than in the membership, computed not from the roll of nominal members, but from the dues actually paid into the national treasury. This membership numbered 25,000 in 1904, 50,000 in 1909, and about 120,000 in 1912.

Political Accomplishments. For the first few years of its career the Socialist Party, like its predecessor, existed merely as a party of protest and education, obtaining no tangible political results. Temporary successes in Massachusetts brought Socialist mayors into Haverhill and Brockton in 1902-3, with two representatives in the state legislature. Members of the legislature were also elected in Florida and Alabama, with municipal officers here and there. These victories were almost entirely sporadic, however, and bore no marks of permanent strength.

It was natural that the first firm foothold should be gained in Wisconsin, where the political party has had the longest continuous existence. In the legislature of this state the Social Democrats have been represented for some years, as

also in the city council of Milwaukee. Each year they have become intrenched more strongly until in 1910 came the first real Socialist victory, when the city of Milwaukee came under a complete Socialist administration and a few months later a representative, Victor Berger, was elected to the United States Congress.

In the fall of 1910, in 1911 and in 1912, the Socialist vote throughout the country sprang forward as has been indicated. Legislators were elected in the states of Pennsylvania, Rhode Island, Massachusetts, New York and Illinois, the Wisconsin legislative group being strengthened to 14, including two state senators; in 1911 the cities of Berkeley (California), Butte (Montana), and Schenectady (New York), came under Socialist control. In 1912 the Socialist Party claimed 1,039 officials scattered over the country, including 50 mayors and 20 legislators.

The Municipal Administrations. The Milwaukee administration came to an end in the spring of 1912, Berger being defeated for reëlection in the fall of the same year. As was to be expected, the Socialists fell victim to a fusion of the local Democratic and Republican parties, although their own vote had increased by more than 2,000 since they went into power. Under Mayor Seidel

and his associates the administration was acknowledged by all as completely free from the corruption that had heretofore characterized Milwaukee, and certain definite reforms had been inaugurated. Among these were the following: An inventory, a modern budget and a sound system of bookkeeping; a Bureau of Economy and Efficiency, with consequent saving of public money in various directions; a social survey, with the appointment of active commissions on child welfare, housing, etc.; an eight-hour ordinance for municipal work; and the forbidding of the police force to take sides in case of a strike. The reelection of Mayor Duncan of Butte, Montana, in 1912, was the outcome of a term satisfactory alike to revolutionists and reformers. With regard to the administrations just completed in Berkeley and Schenectady, the severest criticism has been from the revolutionary Socialists, who fear that in their efforts to serve efficiently under capitalism, the Socialist executives will lose sight of their working-class obligations.

The Socialist Legislators. Although it was impossible for Victor Berger to secure the passage of Socialist legislation, he has proved a very active Congressman, and a list of the bills and resolutions introduced by him gives a fairly good an-

swer to the oft-repeated question, What would Socialists do first if they should get into power? Among the measures proposed by him are a bill for old age pensions, a bill for the investigation of trusts and a constitutional amendment in favor of woman suffrage. He voted in favor of such measures as campaign publicity, tariff reduction, and Canadian reciprocity, and, as a member of the Committee on the District of Columbia, has exerted himself to procure better conditions for several classes of government employees.

The Socialist group in the Wisconsin legislature claim responsibility for many radical measures recently enacted in that state. They have proposed measures for the abolition of the senate, the popular election of judges, the curbing of the issuing of injunctions, the state control of water power and various industrial reforms; and been instrumental in passing acts for restriction of child labor, protection of workers at dangerous trades and the pensioning of mothers.

In the state legislatures where a single Socialist exists, he has usually made himself felt by a consistent support of all measures likely to benefit the working class and an opposition to all those tending to weaken it in its struggle against capitalism. Specimens of bills introduced by them

are Merrill's proposal for workmen's compensation in New York, Morrill's successful enactment requiring that advertisers for strike breakers in Massachusetts should mention the existence of the strike and Maurer's attack upon the state constabulary in Pennsylvania.

The Problem of the Unions. The most important problem of American Socialism is still, as in the days of the S. L. P., its relation to the labor unions.

The Socialist Party is always, and essentially, as the political expression of the class struggle, pledged to support the workers in their economic organization, the labor union. In America, however, as was mentioned in the previous chapter, we have the rather unusual spectacle of the most powerful national unions existing in detachment from the S. P., containing, it is true, many members of the party within their ranks, but committed by such leaders as Samuel Gompers to actual hostility toward Socialism.

We have noticed the beginning of this antagonism in the old party and the ill-fated attempt of de Leon to organize a Socialist federation, the Socialist Trades and Labor Alliance. A second effort in this line was made in 1905. Several large unions already existed that either were

pledged to Socialist principles or acknowledged the Marxian doctrine of the class struggle with its revolutionary implications. These unions were generally based upon the principle of industrial organization, by which the skilled and unskilled workers of an entire industry, such as the making of shoes, are united; rather than the craft organization, by which the members of a certain craft, such as the carpenters or steamfitters, perhaps reaching through various industries, are brought together, while the various crafts that unite in the production of a single commodity may belong to unions widely separated. For reasons to be explained later, the industrial form of organization is almost universally favored by Socialists.

The Industrial Workers of the World. It was with a nucleus of several large Socialist federations that certain revolutionary unionists founded in 1905 the Industrial Workers of the World, committed to the principles of industrial unionism and the class struggle. The support of Eugene V. Debs was enlisted for the movement, and even that of de Leon, who saw in the I. W. W. an opportunity to redeem the failure of the S. T. and L. A. For a time the new organization grew vigorously, claiming from fifty to one hundred thousand members. This success was transient,

however. In 1906 Debs resigned and the powerful Western Federation of Miners withdrew. De Leon, having failed in an attempt to reunite the two Socialist parties, quarreled with the other leaders of the I. W. W. and was expelled. The membership declined steadily until in 1908 only 5 per cent. of the eligible members of the Socialist Party belonged to the I. W. W., as against 44 per cent. belonging to the A. F. of L.

While the I. W. W. had become negligible, however, the principle of industrial unionism was growing more and more popular in the Socialist Party. Attempts were made to bring the party to incorporate this principle in its platform, the *International Socialist Review* conducted an active campaign in this direction, Eugene V. Debs once more took up the cause, and antagonism to the A. F. of L., as representing craft unionism, became conspicuous among the more revolutionary section of the Socialists.

In the early part of 1912 a recrudescence of the I. W. W. was brought about as the result of several sensational strikes and the prosecutions arising from them. In the Socialist Party convention of that year the industrial question was uppermost. The tactical division into revolutionists and constructivists, to be explained in a sub-

sequent chapter, was closely involved with the industrial issue, and a serious factional dispute was feared. Concessions were made on both sides, however; the principle of industrial unionism was indorsed without giving official support to any special organization, and all sections were unanimous in the nomination of the revolutionary Eugene V. Debs for President, and the constructivist Emil Seidel, the outgoing mayor of Milwaukee, for Vice-President in the campaign of 1912.

The remarkable success of this ticket, upon which the national vote more than doubled as compared with the last presidential election, has proved to all sides the wisdom of the party policy. Yet the Industrial Workers of the World have continued to remain in the foreground, and, even more than the controversy as to union organization, the questions of direct action and "sabotage," tactics advocated strenuously by its members, are absorbing a large share of Socialist attention.

Suggested Reading

Werner Sombart—Socialism (Revised Edition).

Wm. English Walling—Socialism as It Is.

Hillquit—Socialism Summed Up.

Hughan—American Socialism of the Present Day.

Constitution and Platform of the Socialist Party.

Constitution and Platform of the S. L. P.

Periodicals—N. Y. *Call; International Socialist Review; Party Builder; The People* (S. L. P.).

Topics for Reports and Discussions

Comparison of the French and German Socialist Parties; The Labor Party; The Latest Socialist Vote in the U. S.; Factional Disputes of the Last Ten Years in the Republican, Democratic and Socialist Parties.

To What Extent Have the German Reforms Been Due to the Fear of Socialism?

Can the Reforms in Australasia Be Denominated Socialistic?

What Definite Criticisms Have Been Brought Against Socialist Municipalities?

Is the Industrial Union Superior to the Craft Form of Organization?

CHAPTER IV

SOME MISCONCEPTIONS OF SOCIALISM

The Need of Correction. False statements as to Socialism are so very rife among us that, at the risk of seeming triviality, we will take up a few of these at the outset. Should the intelligence of the reader be insulted, the defence is that seven out of eight of these errors have been brought forward within the last five years by well-known Americans as serious objections to Socialism. In correcting these misinterpretations we will, wherever possible, quote official rather than private authorities, and American rather than foreign Socialists.

Marriage and the Family. Theodore Roosevelt, in a certain series in the *Outlook* (March 20, 1909), made his chief indictment of Socialism on the score of its antagonism to religion and the family. The same charges are in the forefront of the attack made by many representatives of the Roman Catholic Church, and are thus worthy of serious treatment.

Socialism does not advocate any changes in the institutions of marriage and the family, the only reference to the subject in its official literature being to the effect that Socialism will restore the integrity of the family by eliminating unemployment, child labor, and the chief causes of prostitution.

The foundation for this charge and also that relating to religion is the fact that certain individuals, notably E. Belfort Bax, late of the English Social Democratic Party, and August Bebel, leader of the Socialist group in the Reichstag until his death in August, 1913, have expressed in their books radical views regarding the church, and the family as it at present exists. In justice to these writers and the many Socialists and non-Socialists holding similar views, it should be said that their criticisms are invariably directed, not against the monogamic ideal, but against the family as accompanied by the marriage market, prostitution and the economic subjection of women, which they maintain are inevitable developments of the capitalist system. Even so, however, these doctrines have found but a rare response in America. Socialists, indeed, have little reverence for institutions as such, and claim the right to criticise freely and frankly, but, as has been said above, the

American platform contains nothing that can be interpreted as an attack upon the family, and not one of the present party officials has to my knowledge ever made such an attack.

Religion. The same voices that bring the charge of hostility to the family unite with it the accusation of antagonism to religion, and the same statements must be made in reply. The official Socialist literature is either silent on the matter of religion or expressly declares neutrality. There are indeed many atheists in the Socialist Party, as in the Republican and Democratic; there are also many Christians; and, as the one maintains that Socialism leads directly to atheism, so the other is confident that only in Socialism can Christianity find fulfillment. It may be added that, while the Socialist is frequently found inveighing against the church, he seldom fails in loyal enthusiasm for the teachings and personality of Jesus of Nazareth.

Anarchy and the Red Flag. Socialists do march under the red flag, the symbol of internationalism and of the common red blood that unites in a common brotherhood the workers of the world. In America they honor also the stars and stripes, and display it at their gatherings, but oppose any use of the national flag that appears to

them to make it an emblem of militarism or capitalist power.

In theory Socialism is at the antipodes of anarchy, the one standing for the solidarity of society, the other for its disintegration. In practice, though uniting in contests for freedom of speech and press, they have from the beginning been opposed. The history of Marx and the International in their struggle with Bakunin, or of the S. L. P. with the "Chicago" anarchist group, is convincing on this point.

Violent Revolution. Socialists do not, as Newell Dwight Hillis pictures in weird phrases,* advocate the use of violence against the capitalist system, but urge the ballot as the strongest weapon of the working class. The Convention of 1912 passed a resolution, afterward confirmed by general referendum, declaring definitely against "crime, sabotage and violence," and making liable to expulsion a member advocating these in any form. A minority of the party opposed this resolution, chiefly on the ground of its possible interference with the right of free speech. It is true also that certain Socialists expect that the privileged classes will themselves compel the ushering in of the new régime by a physical con-

* *Brooklyn Eagle* (sermon), June 1, 1908.

flict. If the Socialist Parties have their way, however, the revolution they preach will be a bloodless one, transforming society by political and peaceful methods alone.

Equality. Although the old charge of "wishing to divide up" has long ceased to figure in serious discussion, the same cannot be said of the statement that Socialists will reduce all men to "a dead level of equality." The statement is indeed vague, but with many otherwise thoughtful persons, Mr. Hillis, for example, it carries weight.

If the equality referred to is a matter of natural endowment, the Socialist, like the rest of the world, has long differed from the fathers of the Republic in their declaration that "all men are created free and equal." John Spargo states as one of the distinctive points of Socialism that it acknowledges the natural inequalities of men and the consequent unfairness of the competitive system.

As to equality of income, we find that not a single Socialist of authority advocates or expects it in the coming commonwealth. Kautsky, the greatest living Marxist in Germany, and the American authorities, Hillquit, Walling and

Spargo, state definitely their expectation of inequality of income.

Many Socialists indeed cast their glance ahead to a far-off time when, after centuries of coöperation, men may be fitted for equality, but that state, like the millennium, is to be dreamed of, not demanded. Equality of *opportunity* is the only equality for which the Socialist is working.

Communism. A kindred error to the one just mentioned confounds Socialism with communism, a confusion that may be excused, even in Roosevelt, when we remember that the Utopian founders of communities were the first to be called Socialists, and that Marx and Engels named their organization the Communist League. Communism, however, is a voluntary movement, the essence of which is the abolition of private property; modern Socialism is a political movement which maintains the right of private property in all wealth which is not used for exploitation. Such books as a recent one by Stewart Graham entitled "Where Socialism Failed," which seems to confute Socialism by recounting the inadequacy of some communistic experiment, have no bearing on the political movement which we are considering.

Regimentation. Those whose conceptions of

Socialism, like Mr. Hillis's, are derived from the classic Utopias and from Edward Bellamy's "Looking Backward" have visions of an industrial army under the strict rule of a bureaucracy, which assigns to them labor, incomes, meals, hours and families. These ideas are directly contrary to the spirit of modern Socialism, which puts in the forefront of its demands democracy, local autonomy and individual rights. Socialists are extreme in their opposition to all sumptuary laws and in their maintenance of the rights of government employees, while they work with the anarchists at one point, the fight for freedom of speech and assembly.

Individual Ethics and Human Nature. A final misconception is very vague in character, appearing as an accusation sometimes that Socialists deny the necessity of human regeneration, sometimes, as charged by President Eliot, that they demand it to an impossible degree, sometimes that they fail to apply it to their own lives. Underlying each of these contradictory charges is the error that Socialism is a matter of individual ethics, rather than of social economics.

The Socialist commonwealth will make no claim to take the place of individual morality, any more than it will aim to supersede art or sci-

ence, though its adherents do maintain that it will render possible a higher development of all three. On the other hand, Socialism does not demand for its establishment any transformation of human nature, though it recognizes the fact that human nature has changed many times since the days of the cave man, usually in response to a change in environment. On the contrary, the Socialist appeals to the majority of mankind to act in accordance with their own interests.

Last of all the newspapers are mistaken when they call upon so-called millionaire Socialists to "sell all they have and give to the poor." It is indeed an unsolved riddle why as Christians and moralists we do not all obey this injunction, but not as Socialists, Republicans or Democrats. Socialism is perhaps more likely than other economic beliefs to encourage altruism, but a consistent political Socialist is quite free to practice whatever individual ethics may seem to him best.

Suggested Readings

Cathrein—Socialism.
Skelton—Socialism: A Critical Analysis.
Le Rossignol—Orthodox Socialism.
John Rae—Contemporary Socialism.
John Work—What's So and What Isn't.

SOME MISCONCEPTIONS OF SOCIALISM

Topics for Reports and Discussions

Comparison of Socialism and Anarchism; Nietzsche, Stirner, and the Individualist Attitude toward Religion.

Are All Men Created Equal? (References, Ward's Applied Sociology, Davenport's Eugenics.)

Is Revolution Possible without Bloodshed?

Can a Socialist Consistently Live upon the Income from Capital?

CHAPTER V

THEORETICAL FOUNDATIONS OF SOCIALISM

Definition of Socialism. After we have removed the more troublesome of current misconceptions and after we have traced the history of the Socialist movement to its establishment as an international political party, we are ready to look at the positive side of the inquiry,—What *is* Socialism? Even here we must continue to exercise care. There is something of an analogy between the task of defining Socialism and that of defining Christianity. In both we find the bigot and the broad churchman, in both the jangle of differing sects, in both the constant changing in response to environment which makes the living organism. Neither can be expounded in a word, but each is a definite force in the world's history.

Socialism, like Christianity, is not a belief, though it is founded upon a belief; it is not a code of laws, though it affects human action; it is not a philosophy, though philosophical controversies have raged around it. Socialism is a movement,

and as such we need not expect always to find it either consistent or scientific. The following definition, however, may be taken as a test:—Socialism is the political movement of the working class which aims to abolish exploitation by means of the collective ownership and democratic management of the principal instruments of production and distribution.

To an expansion of this definition the greater part of this book will be devoted. The questions, "What is the exploitation referred to?" "Why does the movement consist necessarily of the working class?" and "What warrant have we for expecting such a radical transformation of society?" compel us to glance briefly at the Marxian philosophy.

The Economic Interpretation of History. There is a tendency among mankind to regard social relationships as permanent, and judicial, ethical and religious systems as absolute and perfect. The caste system in India, the aristocracy in England and the plutocratic republic of America all claim our submission "in the place where it has pleased God to call us"; and we resent any imputation of fallibility in our ethical or juridical *ideals,* at any rate, however much we may plead guilty to falling short of these ideals. The courts,

for example, are to the American sacred ground, and even the tenth commandment must be modified sooner than the moral maxims of the present competitive system.

Many of us recognize this point of view to be unsound. We know that our society, like that of the classical nations, is in a state of evolution, and that some time our present ethical code will be considered only less primitive than that of the cave-dweller. We do not all keep in mind, however, that among the scientists who have elaborated the laws of social evolution Karl Marx bears the honor of having first discovered the predominating cause of social changes and setting it forth as "the economic interpretation of history."

Engels in the preface to the Communist Manifesto states the doctrine in the following words: —"In every historical epoch, the prevailing mode of economic production and exchange, and the social organization necessarily following from it, form the basis upon which is built up, and from which alone can be explained, the political and intellectual history of that epoch."

Illustration of the Economic Interpretation of History. A familiar illustration of the economic interpretation of history may be found in the con-

ditions of the New England and the Southern States before the Civil War. In the former the climate, configuration of the country and character of the settlers conduced to small scale farming and afterwards to manufacture. Society consisted chiefly of independent agriculturists grouped near one another in villages and employing little hired labor; later on, as manufactures developed, the towns became crowded with an industrial population of wage-workers, skilled to handle delicate machinery and free to rise above one another by individual effort. Social relationships were free, individualistic, and approximately equal. Political democracy was the natural outcome of this Northern society, and in the New England town meeting there existed as near an approach to it as has yet been made; equality before the law was a genuine ideal, enforcing strictly the personal rights of the individual; the ethical code inculcated the ascetic virtues of industry, thrift, temperance, and personal morality.

In the South, on the contrary, the nature of the country, the climate, and the settlers alike made extensive agriculture the most attractive pursuit. It was profitable for the landholders to live far from one another on plantations that were largely self-sufficing, and to work these with unskilled

and irresponsible labor. Slavery rather than free wage labor, and the feudal demesne rather than the village community, thus became typical of Southern society. Upon these social relationships grew up a political aristocracy which still exists in defiance of the United States Constitution, and a judicial system in which inequality is taken for granted and lynch law for the negro openly maintained. Instead of the ascetic morals of the New Englander we have the virtues of courtesy, generosity and high spirit in the master class, good nature and personal devotion in the dependents. So strong has been the grip of economic conditions that the forcible change in social relationships brought about by the Civil War has not yet made material impression upon the judicial, political, and ethical codes of the South.

Limitations of the Doctrine. It is indeed true that the economic factor, while fundamental, is not the only one in history. Such conditions as climate and race exercise direct influence upon social relations. These relations themselves, as well as the ideals of politics, ethics and religion, react upon the economic environment that has given them birth and may even change it radically.

Says Engels himself:—"According to the materialistic view of history the factor which is *in*

last instance decisive in history is the production and reproduction of actual life. More than this neither Marx nor I have ever asserted. But when any one distorts this so as to read that the economic factor is the sole element, he converts the statement into a meaningless, abstract, absurd phrase. The economic condition is the basis, but the various elements of the superstructure—the political forms of the class contests, and their results, the constitutions—the legal forms, and also all the reflexes of these actual contests in the brains of the participants, the political, legal, philosophical theories, the religious views . . . all these exert an influence upon the development of the historical struggles, and in many instances determine their form." (Der Sozialistische Akademiker, Oct. 15, 1895, quoted by Professor Seligman, Econ. Int. of Hist., p. 143.)

Extreme Interpretations. Although Marx and Engels limited the doctrine as just quoted, certain Socialists have carried it to the extreme of economic determinism, denying the existence of free-will, and of economic materialism, which allows no scope to the idealistic factors. It is almost entirely against these special views that criticisms of the economic interpretation of history are now directed, as the theory as modified by Marx is now

thoroughly incorporated in modern historical method.

Socialist Application of the Doctrine. While the economic interpretation of history is thus no longer confined to Socialism, it is in the application of this doctrine to human evolution that Marxism and orthodox economics take different paths. Since, according to Marx and Engels, the social structure is always an outgrowth of the economic conditions of a given period, it follows that a radical change in the latter must always bring about an equally radical social transformation. If for any reason the outworn forms of a society have persisted into a new economic régime, the transformation may be a sudden one,—the new society bursts its integument in a revolution, and continues until in its turn it yields to the course of economic changes. In this portion of Marx's theory, he makes use of the Hegelian dialectic, an interesting form of reasoning which space forbids us to discuss.

The Evolution of Society. Classical society passed away with slavery, feudal society with serfdom; the third great system of civilized production, the bourgeois or competitive, came in, at various dates in different countries, with the prevalence of free labor and handicraft. While this

characterization by the prevailing form of labor is usual among Socialists, it is equally in accord with Marxism to adopt Professor Seligman's three stages, isolated economy, trade or local economy and capitalist or national economy, the first stage continuing through slavery and serfdom, the second corresponding to the competitive or free handicraft system, and the third being identical with the Socialist classification. As feudal economics, the production for a self-sufficing domain by workers bound to the soil, was characterized by the feudal, or personal and local, relations, so competitive manufacture, the production by handicraftsmen of goods for exchange, was characterized by a society of free individuals, bound only by "the cash nexus." The worker owned his own tools, produced independently or with the aid of apprentices on their way to independence, sold in the open market and pocketed the equivalent of his labor. As the expression of this free individualism came the mighty ideals of the eighteenth century—liberty, equality before the law, and economic *laissez faire*.

So breathless, however, has been the material development of the last few centuries that the system of economic individualism could maintain but a momentary existence, has perhaps never existed

at all in full perfection. Encumbered through the early modern period by the forms of feudalism, it burst through these only by the violent revolutions commencing in the 18th century and still going on in Eastern Europe and Asia. Even in '93, however, individual production had been undermined by the beginnings of modern capitalism. The employing manufacturer had long been competing against the craftsman, and the tremendous industrial revolution following the inventions of textile machinery and the steam-engine was already in full swing. Hardly, therefore, had individualism established its forms and its ideals upon society when the new capitalist system had gone far toward taking its place in production.

Modern Capitalism. The independent laborer, producing, marketing, and receiving his price individually, still exists in a few backward or specialized pursuits such as carpentering, and in that form of labor which was the last to break through feudal shackles, agriculture. In the typical modern industry, however, production is no longer individual, but social. In Adam Smith's time eighteen men contributed to the making of a pin, but in the twentieth century we have the mighty organization of a metal trust involved in

the making of the pin and the railroad system of a continent in its marketing.

Owing to the fact, on the other hand, that the social structure and its resulting legal tradition are still shaped by free individualism, we have the anomaly that this product of social industry is still owned individually by the person who has the title to the tools and raw material. Most important of all, this owner, as in the craftsman days when he was the laborer also, still takes the profit, after paying the market price for wages, whether he has himself labored or not.

This transitional system, in which wealth is produced socially by propertyless wage laborers, and owned individually by capitalists who possess the tools of production, is called by the Socialists *capitalism.*

The Downfall of Capitalism. This contradiction between social production and individual appropriation means no less, according to the Marxian philosophy, than that our economic conditions have outgrown the social and legal structures that rest upon them. There is but one outcome—a revolution that will put an end to capitalism, and establish in its place Socialism, a form of society in which the forms of economic individualism shall have vanished and the fruits of

labor, like the labor itself, shall be socially shared.*

This inevitable transformation will be brought about by three different causes:

I. *The Tendency toward Overproduction.* The first of these is the tendency toward capitalist overproduction.

Individual marketing was a simple matter in the days of handicraft. The village carpenter or wheelwright possessed a local market independent of transportation, and the middleman knew his own customers and their probable rate of consumption, and in case of accidental overproduction could wait, secure in the ownership of his trade, till his stock diminished.

Since production became no longer independent, however, the market also has been transformed. The manufacturer produces for ultimate consumers whom he has never seen, whose demand is conditioned on forces unknown to him; between him and the customer are ranged the

* The word revolution, to the Socialist, carries with it no necessary implication of violence. He follows the dictionary definition of a revolution as "the overthrow or renunciation of one government and the institution of another by the governed," and realizes that it may be either sudden or gradual, as bloody as the French revolution, or as peaceful as the industrial. (Webster's International Dictionary.)

transportation systems, the middlemen, and the complexities of the stock exchange; most serious of all, competitors, perhaps in distant communities, are throwing goods upon the same market in quantities and at prices to suit themselves. Although production has become more and more socialized, more and more efficient, the direction of that production, still hampered by the survivals of individualism, is in general anarchistic.

The Crisis. There can be but one result, frantic underselling, falsely stimulated production in various lines, and finally a piled-up plethora of goods, a crisis and "hard times." Businesses fail, credit is checked, factories are closed, men are thrown out of employment. For two or three years little is produced, and then, the surplus product having been consumed and the surplus producer having been put out of the game, demand once more overtakes supply and the rush for profits begins again. Many times since modern capitalism began, this cycle has repeated itself, till now the crisis can be predicted with tolerable certainty to arrive once in every ten to fifteen years.

Industrial progress, with its extension of complexity in business relations and its multiplication of the product by labor-saving devices, tends to

make the results of industrial anarchy still more serious, to render the crisis longer in its duration and the period of recovery less complete.

Two methods of escape remain. One of them, the enlargement of the market, has been applied with ever-accelerating vigor from the beginning; the need for this outlet is the secret not only of countless treaties and diplomatic events, but of the most serious wars of modern times. The world is limited, however; our former customers, the Eastern nations, are rapidly becoming our competitors, and the end of market extension is in sight.

The second escape is of a more permanent character, and is nothing less than the socialization of the whole industrial system, to keep pace with social production within the factory. The modern trust, curtailing within its own sphere the anarchy of production, is a definite step in this direction, and has already begun to exert an appreciable influence upon the periodical business crisis. Government regulation and government ownership of certain industries are even more radical measures of socialization which are forced a little further by every such period.

Since this one permanent way of escape is in itself an abandonment of the competitive princi-

ple, it is evident to the Marxist that capitalism must, at no very distant date, pass, a victim to either its own anarchy or to gradual socialization by trusts or government.

II. *The Tendency toward Socialization.* The second cause working to undermine the capitalist system has just been suggested, the inevitable tendency of industrial coöperation to take the place of competition. When Marx and Engels published their Manifesto in 1848 the joint stock company was still a new development, and the modern trust was forty years in the future. They set forth with approximate accuracy, however, the general industrial tendencies of the late 19th century, the necessity of progress by labor-saving invention and organization, of reducing the cost of production and increasing its volume, of checking the inherent waste of competition by combination on a large scale. The individual employer would give way to the partnership, the partnership to the corporation, and the corporation to the great aggregation of interests that we call the trust.*

* A glance at Professor Seligman's comparative table of industries in 1870 and 1900 will illustrate this progressive concentration of capital and massing of labor. While the five industries here taken, Iron and Steel, Agricultural Implements, Carpets and Rugs, Woollen Goods, and Leather, all

At every step in this closing in of industry certain capitalists are left out of the running, sometimes to become passive receivers of income, more often to take their places in the ranks of salaried employees. When combination, according to Marx, shall have done its perfect work, the independent producer will have practically disappeared, the majority of society will consist of propertyless wage workers, and all the chief industries will be socialized within themselves, controlled by a minority of exploiters, and ripe for complete socialization at the hands of the people.

III. *The Class Struggle.* While economic development may be expected to bring about automatically, as it were, the undermining of capitalism by the anarchy of production and the building up of a new socialized structure within the shell of the old, the final transfer from individual to social ownership and control can be accomplished only by deliberate human action. The last of the

show this development in a striking degree, the following details are of especial interest: During the thirty-year period the average value of product in the Iron and Steel industry was more than quadrupled; the average capital in Agricultural Implements increased more than tenfold; the average number of workmen employed in the Carpet and Rug establishment rose from 56 to 214, while the actual number of establishments decreased most notably in the leather industry, from 7,569 to 1,306 (Seligman's *Principles of Economics,* page 333).

three causes, therefore, the class struggle, is the most important of all to the Socialist.

"The recorded history of social progress," says the Communist Manifesto, "has been the history of class struggles." The slave against his master, the serf against his lord, won his independence when economic conditions had prepared the way for a new relationship. Although altruistic spirits among the ruling class have from time to time renounced their own privileges and championed the cause of the oppressed, the masters as a whole have never given freedom to those beneath them until, as with the classical nations, their civilization was overwhelmed by outside forces, or, as in the case of feudalism, the subject class became strong enough to assert and secure its rights.

The Social Classes at Present. Our present capitalistic state has no statutory or hereditary division into social classes; yet such classes actually exist. On the one side are the capitalists, or bourgeoisie, who may be defined as those whose income, or the major part of it, is derived from the possession of capital; these may be either passive coupon cutters, or active employers who draw both salary and profits. On the other side is the working class or proletariat, consisting of those

persons who are without appreciable capital and therefore dependent for their income, or the major part of it, upon employment by others; it may be divided into the intellectual proletariat and the skilled and unskilled manual workers. Between the bourgeoisie and the proletariat is the middle or old yeoman class, composed in small part of individuals whose income happens to proceed in equal portions from labor and the possession of capital, but chiefly made up of those farmers or small craftsmen who own their own tools and produce without either employing or being employed.

The proportion and status of these three classes are continually changing. The steady tendency toward concentration in the industrial system is every year pushing into the proletariat the least fortunate of the capitalists, this process becoming most acute at the time of the periodical crisis. Still more is the middle class, consisting essentially of isolated craftsmen and agriculturists, gradually disappearing as improved processes make socialized production necessary. We see its decline in the presence of the department store and the abandoned farm. It is conceded by modern Socialists that Marx and Engels overestimated somewhat the speed of the yeoman's disap-

pearance, and the attitude of Socialist parties toward the farmer has altered materially in consequence. This subject is so important that it must be taken up in detail later on.

The Condition of the Proletariat. The proletariat, at the same time that it is becoming a larger and larger section of the community, does not remain in the same situation from one decade to another. The same industrial progress that brings about the concentration of capitalist control has worked with equal pressure to reduce the labor cost of production by inventions and organization. Almost all important improvements in process throw out of employment whole sections of the working class. Some of these are absorbed again to meet increased demand, but not all, and those who for one reason or another cannot make the new adaptation go to swell the number of the army of unemployed or casually employed, which has existed ever since the break-up of serfdom. The recurrence of the crisis adds to the number still further, while these purely industrial causes are strengthened by the chance unemployment due to sickness, accidents, and personal deficiencies. The magnitude of this unemployed army is impressive, 4.1 per cent of the working male population in England and Wales applying for relief

in 1908, and its growth in recent years is still more striking than its absolute number. Between the years 1890 and 1900 the percentage of the working population unemployed had increased in the United States from 15.1 per cent. to 22.3 per cent.

While all reformers deplore the existence of the unemployed, the non-Socialists consider the phenomenon a mere accident and attempt by education and organization to remove it. To the Socialist, however, it is an integral part of the capitalist system. The normal working of this system is what throws the unemployed out from its center, and, furthermore, their presence as a reserve is necessary to our industry as at present constituted. If we look at the figures just mentioned, we find that but a small proportion are idle the year round; nearly all are engaged for a few months in some casual or seasonal occupation. The figures of industry, moreover, show that much of our production is dependent upon this same casual or seasonal labor. Most trades have their slack periods; in coal mining, for example, little anthracite is produced during the winter, because storing diminishes its selling value. Harvesting, canning, and lumbering employ hordes of persons at certain seasons only; docking is an ex-

ample of an employment almost entirely casual. Until these industries are materially altered, we cannot normally dispense with the reserve army.

Wages Pressed toward the Minimum. Yet the existence of the unemployed is the great factor that, according to the Socialists, keeps wages pressed down toward the minimum of bare subsistence. While fifty men are fighting at the factory gates for a job that will bring this mere subsistence, that employer must indeed be an altruist who will offer more, and even the benevolent employer is forced by the pressure of his rivals to keep down labor cost as near the minimum as possible. The reserve army of unemployed may be seen in its function of keeping down wages and working conditions at the time of any large strike. When the employer makes his usual declaration to the public that in the absence of interference the industry will be kept running with "scab" labor, it is this reserve upon which he relies; and the fact that this confidence is frequently justified even in the strike of skilled and specialized workers is a suggestive commentary upon our capitalist system.

While profits, then, have steadily increased—in bulk rather than rate—with the progress of industry, the tendency of wages has been to hover

around the subsistence level for the unskilled worker with corresponding gradations for those above him.* The standard of subsistence itself has indeed been raised in many respects since the days of Marx, and labor unions and legislation have done much to maintain this rising standard, but Socialism contends that, notwithstanding this absolute improvement, the relative condition of the working class is steadily deteriorating. Not only is there a far greater disproportion between the incomes of the capitalist and the laborer than there was fifty years ago; not only is there an abysmal gulf in living standard between the unskilled factory hand at eight dollars a week and the millionaire who pays $75,000 a year for shooting privileges which he uses for three days. It is the greater and greater dependence upon the capitalist class for the means of living, for the job, that makes the American proletarian of today, in spite of the higher standard indicated by shoes and stockings, white bread and moving pictures, a veritable wage slave.

Doctrine of Increasing Misery. So, says

* Thanks to the researches of social workers, we are no longer obliged to guess at this level. While the minimum cost of living in New York City has been placed at $825 by the Sage Foundation, we find the average wage of the Interborough train hand to be $705 and that of the garment worker to oscillate around $500.

Marx, grows the "accumulation of misery, agony of toil, slavery, ignorance, brutality, mental degradation" among the proletariat.

This Doctrine of Increasing Misery must be restricted largely to mental rather than physical conditions, and must be carefully distinguished from the doctrine of "increasing poverty" with which it is often confused. While certain Socialists have for this reason repudiated the term itself, and many others would hesitate to characterize it in the vivid terms above quoted, the substance of the doctrine appears in stronger or weaker form throughout Socialist thought.

While the lot of the workers is thus becoming ever more unbearable under the capitalist system, these workers, on the other hand, are learning through popular education to desire the same opportunities for enjoyment and individual expression as the ruling class, and are beginning to realize that, as the political majority, they possess the power of molding the laws in their own interest. Furthermore, the system itself, by its massing of men in large industries, organizing them under their own leaders, and removing them wholly from personal association with their employers, is rendering the workers united, capable of efficient coöperation, and class-conscious,

—that is, cognizant of their own interests as laborers and of the fact that these are one with the interest of the entire working class.

The Alignment of the Class Struggle. Aside from the vanishing middle class, society is thus ranged into capitalists and proletarians, mutually dependent, but with interests inherently opposed. It is to the advantage of the capitalist that his laborers should work for the smallest proportional share of the product compatible with efficiency; it is to their advantage, on the other hand, to work for the largest proportional share of the product compatible with their being hired at all. True it is that the laborer and his employer may as neighbors be mutually interested in pure water supply, as Christians in the support of foreign missionaries, and as fellow-countrymen in the maintenance of peace; there is a further banding together of the two as partners in the same industry, by which they may occasionally unite in fighting the consumer or some other producing group in an effort to increase the price or the output; lastly, there are certain apparent concessions to labor, such as the eight-hour day and the sanitary factory, that are now known to be of advantage to both employer and worker.

The fundamental question between the cap-

italist and laborer, however, lies far deeper than these slight mutual interests. After all matters of maximum efficiency have been disposed of, we have the simple proposition that increasing the subtrahend diminishes the remainder—the larger the actual wages the smaller the profits. The capitalist class is continually pressing wages toward the minimum of subsistence, and the working class pulling them toward their maximum, the entire product of labor—a class struggle of which the labor movement is the visible manifestation on the economic field. Sometimes the struggle is peaceful and diplomatic, as when the labor delegate is invited to a dinner of employers; sometimes it takes the form of a dynamiting conspiracy unrecognized by the official labor movement; sometimes it becomes open warfare, where police and mob kill one another.

Socialism is not responsible for the existence of the class struggle. The violent manifestations just mentioned are carried on chiefly by non-Socialists on the sides of both capital and labor. Socialism recognizes the struggle, however, as an essential outgrowth of the present system, and becomes its representative in the political field. It believes that the capitalist class, as a whole, will never renounce the privileges that it enjoys

at present, and calls upon the manual and intellectual proletarians to unite in seizing through their political power the industries as they grow ripe for socialization, and managing them in their own interest, that is, the interest of the whole producing class.

Summary of Chapter. Through the economic interpretation of history, a doctrine no longer exclusively Socialist, we learn that the social, political and legal relations of any civilization cannot fail to be the outgrowth of the economic system then or previously prevailing. Applying this doctrine from the Marxian point of view, we have the conclusions that the present capitalist system, as the superstructure of economic conditions now disappearing, is destined to fall. Socialists differ widely as to the specific character of this downfall. One group expects a transition so easy that the future historian cannot name the definite date of the passing of capitalism; another group proclaims a genuine cataclysm, brief and perhaps violent. There is an equal divergence of opinion as to the extent to which the change will be an automatic one. It is generally agreed, however, that the end of the present system will come about in part automatically through the anarchy of industry and the socialization of capital, in part de-

liberately through the action of the proletariat in the class struggle. Through the latter, also, the inevitable downfall of capitalism and socialization of industry are to be directed into the forms of a new and superior society, the Socialist Commonwealth.

Suggested Reading

Marx and Engels—The Communist Manifesto.

Frederick Engels—Socialism: Utopian and Scientific.

Platform of the Socialist Party.

Spargo and Arner—Text-book of Socialism.

Hughan—American Socialism of the Present Day.

E. R. A. Seligman—Economic Interpretation of History.

Topics for Reports and Discussions

Definitions of Socialism; The Contradiction of Capitalist Industry; The Class Struggle in Newspaper Headlines.

Does the Economic Interpretation of History Exclude the Spiritual Factor?

Can a Socialist Be a Believer in Free-Will?

Is the Socialist Theory of the Crisis at Variance with That of the Business Man?

In What Modern Wars Has the Enlargement of the Market Played No Part?

In What Ways Was the Last Crisis Modified by the Concentration of Industrial and Financial Power?

Can Increasing Misery Exist Along With Increasing Real Wages?

CHAPTER VI

THE DOCTRINE OF SURPLUS VALUE

Theory of Value. While the Communist Manifesto and all the more recent Socialist platforms have based themselves chiefly upon the economic interpretation of history, with the doctrines of the breakdown of capitalism and the class struggle, there is another doctrine of Marx that has played a conspicuous part in economic controversy. This is the theory of surplus value, belonging to abstract rather than to historical economics and to Marx's closet-philosophy of "Capital," rather than to the revolutionary Communist Manifesto. Marx's theory of value, on which his theory of surplus value is based, is founded, with reservations, on the classical labor theory of value of Ricardo. It is briefly as follows:

The reason that commodities exchange at different values, for example, one coat for two pairs of shoes, or one coat for three hats, must be because of some quality inherent in all which is ca-

pable of measurement. While they are all presumably useful, utility, according to Marx, is not this quality, for utilities differ in kind and therefore cannot be measured. The one quality inherent in all commodities is that they are all the product of human labor, and it is as embodying different amounts of labor that they are worth varying sums. If one coat has the same value as two pairs of shoes or as five dollars, this is merely another way of saying that it takes as much time to make one coat as it does to make two pairs of shoes or five gold dollars. To the natural objection that human labor is of varying efficiency and that because a workman may be so slow as to take twice the normal time to make a coat this does not entitle him to four pairs of shoes or ten dollars as an equivalent, Marx replies that by labor he does not mean that of any individual, but socially necessary labor, the amount that would normally be required to reproduce the commodity at the time and place in question. It is true that an exceptional worker might turn out in a day what would take the ordinary man a week to complete and that a chance explorer might run across a jewel worth the product of a year's labor, but in each case the value would be determined, not by the slight exertion that the fortunate producer

happened to put forth, but by the time that would normally be necessary in the given society to produce a duplicate of the article in question.

Labor, manual and intellectual, says Marx, is the sole creator of value in the economic sense, or, as he terms it, exchange value, as distinguished from use value. The capital which, in the form of raw material and machinery, enters into the industrial process, creates no value at all. Capital is indeed a necessity and even adds enormously to the productivity of labor, but of itself it can do nothing but transfer its own value wholly or in part to the completed commodity. In the five-dollar coat, for example, one dollar of this value may well represent fifty cents' worth of raw material and fifty cents' worth of wear and tear on machinery, which have been transferred to the four dollars of new value created by the tailor. The machinery may lay claim to no credit for any of this new value, however, even though the modern tailor is able with its help to make twenty coats where his grandfather made one. The coats may have been multiplied by the machine, but not their value. The latter, according to Marx, is a *social function* of a thing, a relation, and has nothing at all to do with the natural qualities of the thing valued.

The Labor Process. Under the capitalist system, the worker, being without the capital necessary to production, can live in only one way, by selling his labor power to some member of the capitalist class. His wages represent the value of this labor power. As in the case of other commodities, the value of labor power is determined by the number of hours of socially necessary labor that are required to reproduce it—that is, to furnish the worker with food, clothing and shelter which will enable him to work another day and bring up a family to take his place. The cost of labor power is thus equivalent to the subsistence of the laborer.

Let us note the course of the production of a commodity—let us say shoes. The capitalist, having accumulated raw material, buildings and tools, hires a number of workmen. We may suppose that each man's daily subsistence takes, say, ten hours to produce, this being the equivalent at a given time and place of two dollars in money. The wages of each will, accordingly, be two dollars. We will say that each man uses up during the day leather and findings into which have gone three hours' labor and wears out machinery that it will take two hours' labor to reproduce. At the end of a ten-hour day the employer finds

himself with shoes worth fifteen hours or three dollars for each man, of which ten hours' or two dollars' worth have been created by that man's labor and the other five hours or one dollar represents the transferred value of tools and material. Since in the supposed case the value of labor power, as measured by the worker's subsistence, is ten hours or two dollars per day, the capitalist pays this wage to his men, replaces his leather and worn-out machines—but finds he has made no profit.

Modern production, according to Marx, is clearly not according to this program, and it is easy to find the false assumption in the hypothesis, namely, that the whole working day is necessary to produce subsistence for the laborer. Where this condition exists, as in a very primitive civilization, we have no profits, and therefore no capitalists. As a matter of fact, thanks to industrial progress, the laborer's subsistence is produced in considerably less than the working day, let us say, in five hours instead of ten.

Now, let us examine the course of production once more. Since the value of labor power, as before stated, is determined by the number of hours necessary to reproduce it, the day's wage, according to the hypothesis, would now be the

equivalent of five hours' work, or one dollar. If asked why the worker cannot raise it above this natural value, the Marxist replies that the pressure of the reserve army of unemployed keeps it hovering near this limit, sometimes temporarily and locally below, sometimes owing to legislation and organization appreciably above.

Surplus Value. The same employer, at the end of the day, finds himself as before, with a product worth fifteen hours or three dollars per workman. After replacing his capital goods to the extent of one dollar and paying the laborer the natural value of his labor power, five hours' work or one dollar, he is now fortunate enough to have remaining in his pocket the equivalent of still another five hours' labor, or one dollar profit. This value remaining with the capitalist after paying the expenses of production is called *surplus value.*

In the case just given we have assumed that the subsistence of a laborer may be produced in five hours or one-half a day's labor. It may be, however, that in a given state of industry this living takes as much as seven hours to produce or that improved methods may bring it down to three. In the former case the surplus value of the employer is curtailed; in the latter it is increased.

We see here an excellent economic basis for the good work of the English manufacturing employers in repealing the corn laws. If the working class is able through some means to raise the standard at which it will consent to support a family, with the result that it now requires seven rather than five hours to produce this subsistence, the surplus value is again reduced; and if, on the other hand, prolonged hard times should succeed in bringing down this living standard to that of the Chinese or Hindus, surplus value would be correspondingly raised. An insight is here perhaps given into the lack of enthusiasm with which the modern worker receives suggestions to better his condition by temperance and food economy.

A third way in which surplus value may rise or fall in any given establishment is by a change in the length of the working day, or, what is the same thing, the intensity of the labor itself. The workingman tends to regard the "efficiency" system as yet another method of increasing this surplus in the hands of the employer. All of these movements of wages and surplus value are of course variously complicated by such considerations as the organizing ability of different employers, the strength of labor unions, the introduction of new processes; but, barring friction, the the-

ory is maintained for all industry that the only source of profits is surplus value, this value being the crystallization of the surplus labor time extracted from the laborer.

The surplus value doctrine has met with severe criticism, which lies beyond the province of this book. Suffice it to say here that while a few Socialists repudiate the doctrine in part, certain propagandists insist upon it as a cardinal point of Socialism. The existence of surplus value in the form of exploitation, or the appropriation by the capitalist class of a part of the product of labor, is indeed maintained on every Socialist platform; but the contention is usually supported by statistics and the concrete facts of industry rather than by Marx's abstract theory. Many party leaders in the United States, however, while giving a general assent to the doctrine of surplus value, put little emphasis upon it, preferring to conduct their propaganda upon the basis of industrial facts and the economic interpretation of history, without recourse to theories of abstract economics.

While the doctrine just outlined constitutes the most distinctive portion of Marx's "Capital," the three volumes contain an elaboration of the theory with reference to circulation, money, and interest, which, while unessential to the Socialist

philosophy, has furnished the foundation for bitter controversy. The only one of the corollaries that need be mentioned here is that relating to the cause of crises, which was amplified by the State Socialist Rodbertus to strengthen the general argument of the Communist Manifesto that the crisis is caused by the anarchy of modern production.

Supplementary Theory of Crises. The theory is as follows. Since, according to the surplus value doctrine, the laborer receives an ever smaller proportion of the product as his cost of subsistence diminishes, the demand of the working class for finished products must also decrease proportionally. The working class, however, constitute the majority of the market, and the capitalist minority finds it harder each decade to dispose of its lion's share of income by a greater consumption of luxuries. As far as the anarchy of production will allow it, the overplus of wealth is turned into capital goods, but this process only increases the difficulty by multiplying the ultimate product, consumers' goods, at a greater rate than before, until overproduction reaches a crisis and stagnation ensues.

The foregoing explanation is touched upon frequently by writers and speakers, but is absent

from the Socialist Party platform and does not constitute a basal theory of Marxism. Lucien Sanial has suggested important modifications of the entire crisis theory in the light of post-Marxian industrial development, and Gaylord Wilshire succeeded in applying it with some accuracy to a prediction of the crisis of 1907. In general, however, the underlying cause of the crisis is a minor subject of discussion among Socialists, bearing no definite relation to any tactical controversy; and the more obvious phenomena of the capitalist system are usually found sufficient to show its necessary relation to the periodical "hard times."

The doctrine of surplus value and the supplementary crisis theory cannot be termed the foundations of Socialism in the same sense as are the class struggle and the economic interpretation of history. To the student of economics they are worthy of serious thought, in view of the controversies that have raged around them since the time when Engels propounded "the great contradiction" in his edition of the second volume of *Capital.* The Socialist platform, however, contains no explicit reference to them, and discussion of these theories in American Socialist circles is now less frequent than the question as to whether

or not theory as such must needs be emphasized in propaganda.

Suggested Reading

Marx—Value, Price and Profit.

Marx—Capital, Vol. I.

Marx and Engels—The Communist Manifesto.

The authors suggested for the previous chapter.

Topics for Reports and Discussions

The Labor Theory of Value in the Light of the Doctrine of Final Utility; Surplus Value and the Productivity Theory of Wages; A Comparison of the Two with U. S. Census Statistics.

Can Utility Be Measured?

Does Capital Produce Value?

Do Wages Actually Tend to Approach the Minimum of Subsistence? (References as for Chapter I.)

Does the Surplus Value Theory Accuse the Employer of Injustice?

Does Modern Socialism Stand or Fall with Karl Marx's *Capital?*

CHAPTER VII

THE ULTIMATE GOAL OF SOCIALISM

Can We Give Specifications for the Future? The greater part of our study has been taken up in answering the question, Why do Socialists believe that a radical transformation of society is at hand? Our next task is to deal with the nature of this transformation. In what definite ways will the Socialist Commonwealth differ from the capitalist state of to-day? Contrary to accepted opinion, the Socialist is very slow to give specifications as to the future. "Utopianism" is anathema to him and, rather than join with Fourier in his exact prophecies, he flies to the extreme of "scientific" Marxism, and declares that the economic forces of the future must determine the character of the future society.

To the non-Socialist, on the other hand, these are just the points demanding illumination. His support is asked for a certain régime, and it is not sufficient that this régime may be proved in-

evitable; he asks, "Is it desirable?" "What is to become of my factory?" says one; "of my little farm?" says another; "of my wages?" says a third.

A Test for Utopianism. An answer is imperative, and, with certain limitations, it can be given. While the Socialist platform contains no picture of the coming state, Socialist thinkers have been forced, by Utopian writers on the one hand, and falsifying critics on the other, to block out roughly its outlines. Two tests are sufficient to determine whether or not any given item shall have part in the picture—first, is it in line with the definition of Socialism as given above?—second, is it a natural development of existing economic forces?

Let us apply these tests to some common conceptions regarding the Socialist society—for example, that this society will be governed by an irresponsible bureaucracy, and that all alike will be compelled to perform manual labor. Since our definition postulates democratic management, the former statement must be cast out; since, as far as we can now see, the tendency of industry is toward increase of specialization rather than its disappearance, the second also must be deemed unscientific. Bellamy, it is true, leaned toward

the bureaucracy; Bebel advocates the alternation of labor; irrespective of their possible advantages, both plans, according to the criterion above, must be considered Utopian.

It is with care, therefore, that we may venture to make predictions, subjecting each item to the test, taking as final authority the Socialist platform, and in the many cases where this is silent, following the lead of economic tendencies rather than that of any individual thinker.

Religion and the Family. Looking first at the social institutions of the future commonwealth, we repeat the statement of a foregoing chapter that Socialists are not hostile to either the family or religion. In so far as property relations are changed, these may indeed affect the family and the church as economic institutions. The Socialists believe this change would be an advantageous one, in putting an end to the marriage market, abolishing enforced prostitution, and freeing the church from temporal considerations. To the exact degree, however, that religion and the monogamic family are idealistic in character, they will stand firm through the economic revolution of Socialism.

The Socialist State. Is there a contradiction of terms in the words "Socialist state"? Certain

Socialists so maintain, but we usually find that these are taking as their definition of state "the instrument of class oppression." In such a sense the Socialist state is indeed an anomaly, but in its general meaning of "organized society" the state is an essential of Socialism. The modern Socialist is an advocate of local autonomy, however, in so far as this is compatible with economic development, and the Socialist state to him never means a central bureaucracy, but always a composite of local, state, and federal administrations.

Patriotism and Internationalism. Patriotism follows necessarily from this conception of the state, and the Socialist considers himself truly patriotic in working for the welfare of the whole people rather than of a favored class. He respects the national flag, but condemns its use to cover what he considers injustice. Patriotism to the Socialist is a part of internationalism, and the national emblem serves to mark his section in the great family of workers of the world enrolled under the red flag.

As internationalists, the Socialists are bitterly opposed to war, maintaining with Ruskin that wars are fought by the workers for the profit of groups of capitalists. In every parliament the Socialist representatives stand firmly for disarma-

ment and against military taxation. Whenever a war cloud appears on the horizon, Socialists of different European countries exchange resolutions of friendship; on at least one occasion they have called an international congress of protest; and the general strike is seriously suggested as a recourse in case of actual hostilities.

Individual Freedom. Socialists preach a decided individualism in all matters of personal concern. "Government of things, liberty of the individual," is a motto with them. Freedom of belief, speech, assemblage and the press are principles for which the Socialist is ready to die fighting shoulder to shoulder with his theoretical opponent, the Anarchist. Sumptuary laws, for the most part, are an abomination to him, and the paternal restrictions which constituted a favorite device of old-time Utopians are entirely foreign to the Socialist régime.

Political Institutions. Political conditions under Socialism may best be forecast by a return to our original definition: the ownership by society of the principal means of production and distribution, with their *democratic* management for the benefit of all the workers. Democracy is the first and last political ideal of Socialism. Beginning in 1848 with an attack upon the last vestiges

of feudal aristocracy, the Socialist party of each decade has stood for the most advanced democracy then conceived.

The American Socialist works actively for woman suffrage, the initiative, referendum, recall, and proportional representation, for the abolition of the Senate, of the presidential veto, and of the legislative power of the courts. To the question, "Will Socialism maintain the political system of the United States?" the Socialist replies, "In so far and in so long as that political system embodies the last word of democracy."

Economic Institutions. The primary concern of Socialism is with economics, rather than with politics or social relations as such. If once the anomaly of individual distribution with social production is done away with, our social and political ideals may be left to adapt themselves unhampered. "The ownership by society of the principal means of production and distribution" is the core of Socialism. But what do we mean by "society"?—a bureaucratic central government?—a loose association of voluntary communities?

Social Ownership. Social ownership to the member of the Socialist Party means first of all ownership by the political units of society, the nation, the state, the county, the city. The eco-

nomic forces that are now indicating lines of control may be expected to mark the lines of ownership—the nation to take over the Interstate Commerce routes and the larger trusts, the state the Public Service utilities, the city and county the local industries.

Side by side with this ownership by political units will exist considerable ownership by the industrial unit, the workmen owning and operating the entire industry and marketing the product cooperatively. In the expectation of the Syndicalists and extreme industrialists of the Socialist Party, this second type of organization will be the prevailing one.

Instead then of the all-powerful "single employer" of the anti-Socialist pamphlet, we have, in addition to the nation, the states and the municipalities, an indefinite number of self-operating industries.

Extent of Socialization. The third type of ownership brings us to the second term of our definition, "the principal means of production and distribution." Only the *principal* industries are to be socialized; industries of small social significance will probably continue for some time in private hands. Socialism then will afford room for three forms of industrial organization—po-

litical, coöperative, and, probably to some extent, private.

To what extent will private ownership be allowed, and where will the line be drawn? The question can be asked only by the non-Marxian, for to the Socialist this crucial point must be settled by the forces of industrial development. Some things we can indeed predict. The spirit of Socialism is against prohibitory laws, and it is unlikely that society will resort to even a legal monopoly. In each industry the government will probably work just as the great trusts have done —buying up establishments, eliminating the least efficient, regulating the output, and more or less rapidly gaining control of the market, the price, and the wages of labor.

Following always the lines of economic development, the commonwealth will probably acquire first those industries already trustified or socialized, railroads, telegraphs, steamships, mines, oil, sugar, tobacco, etc. In all those fields where government has already been compelled to step in and regulate, prosecute or dissolve—here the future society will go one degree further and acquire.

The closing in of these fields to private investment will accelerate the trustification of a second

set of industries and thus their fitness for social ownership. In this way the process will go on until the economic forces of concentration have reached their limit. The exact location of this limit cannot be foretold, but it will naturally coincide with the line between social and individual production, where the "contradiction" of capitalism begins. The term "capital" is generally used by Socialists in a special sense, as denoting not "all wealth used to produce more wealth," but "all wealth used in the exploitation of labor." It is in this narrower signification only that Socialism demands the public ownership of *all* capital.

Private ownership is destined to survive, therefore, in any industry where the methods of craftsmanship have endured, in certain artistic and intellectual pursuits, in some branches of tailoring and repairing, and especially in small-scale farming. Here the worker owns his own materials, produces independently or with the aid of apprentices, and receives at least nominally the whole product of his labor. Wherever, on the other hand, a number of workers are producing socially with the materials and for the profit of a capitalist employer, there society will eventually assume not only control but ownership. The pencil of the artist, the machine of the dressmaker, and the

land of the surviving yeoman are safe from the menace of Socialism; not so the railroad, the coal mine and the factory.

The Organization of Industry. The organization of Socialist industry has already been touched upon. Disregarding the relics of the craft system, it is evident that in both political and purely industrial units there must be direction and subordination; for present economic forces are pointing toward more and more elaborate division of labor under expert superintendence. As to the choosing of the officers of production, no rules can be laid down, but there are three methods which the Socialist society will doubtless employ —election by the community as in our present political offices, election by the workers of the industry, and appointment based upon examination and experience, as in the present civil service or a modification of it.

The question, What will become of the captains of industry under Socialism? requires no Utopian imagination for a reply. They will retain their office as captains in the industrial army, employed by society as superintendents of oil, sugar, railroads, coal, and the countless other departments now managed privately by their predecessors.

The Assignment of Labor. The assignment of labor in general presents an amplification of the same problem as that just mentioned, and the solution is in general the same.

The very word "assignment" is perhaps a bugbear to many, connoting as it may the arbitrary directing of men and women to distasteful tasks at the behest of a bureaucracy. We will use it with no such implications, but merely as the most convenient designation for the placing of each person at the post of most efficient service. All of us, except the mere dilettante, are at present assigned to our work, through fortune, competition, or the hard pressure of necessity, and the question is entirely as to which of these methods are to endure in the Socialist state.

There are certain Socialists who advocate the distribution of manual labor to all citizens in rotation. From the point of view of health this plan has advantages, and much can be said for it even as regards efficiency. The clerk who adds columns under an electric fan through the summer day and the farmer who stoops weeding under the hot sun through the same day would both doubtless be healthier and perhaps add more to the social product by a few hours' interchange; but the economic current is now toward specializa-

tion rather than rotation of tasks, and, while the citizens of the future are free to elect this method should they so prefer, it must be judged Utopian and therefore uncertain.

The subject of assignment, however, together with that of remuneration, is too often passed over by Socialist speakers and writers. With the more scientific, this silence is caused by a genuine reluctance to lay down specifications for the future before they have been indicated by evolutionary forces. In the case of others, there is a relic of Utopian feeling that refuses to relinquish the vision of laborers choosing their work from natural affinities, as in Fourier's phalanx, the unpleasant jobs being made attractive by shorter hours, the unskilled and inefficient taking their places voluntarily at routine toil, and the corporal, captain and general of industry each finding his own post without error and discovering no one else there before him.

This vision also, millennial and to be sighed for, must be designated Utopian in an age of imperfect human nature and increasingly complex industrial life. Wherever the present American leaders have replied definitely to the question of assignment, they have acknowledged election or appointment by society as the only possible basis

of Socialist division of labor. How far down in the scale of labor election shall give place to appointment is a matter that must be left to the future. As election is a manifest impossibility for the great mass of workers, we may expect that assignment in general will be based upon examination and previous record, a development from our present civil and educational service. Every able-bodied adult will, as a matter of course, be "guaranteed a job" at a wage at least equal to the prevailing standard of living; and the unskilled employments, both manual and routine intellectual, will doubtless be filled from those who by taste or ability are unfitted for skilled work. The number of the latter may be expected to diminish as the demand is checked by the extension of labor-saving machinery, the supply by the absence of child labor and by the complete system of free technical and cultural education promised by the Socialists. Competition among individuals for desirable jobs will not, therefore, be eliminated from the Socialist state.

Remuneration Under Socialism. The question of remuneration is closely allied with that of competition, and brings up a topic mentioned in a previous chapter—equality as a Socialist doctrine. As was there stated, no modern Socialist

platform or leader advocates equality of income. Karl Kautsky, the greatest living Marxian, is followed by the American authorities in his declaration that in the Socialist commonwealth incomes will be in the form of varying money payments for services rendered. Granted unequal incomes, competition is a necessary consequence in a free society, as the best approximation yet discovered of allowing to each worker his normal reward, the full product of his labor.

Competition under Socialism, however, would differ both in kind and in extent from its present form. The struggle for physical existence would have disappeared, for employment at a living wage would be guaranteed to every adult,—those unwilling or unable to earn that wage being cared for, if necessary, in the reformatory or the hospital. Universal old age pensions and social insurance would still further minimize the strife for large incomes by removing in great part the necessity for saving. At the other end of the scale all that competition would be obsolete which aims at the amassing of capital, for interest on capital for the most part at least would have ceased. Very large incomes, moreover, could no longer exist. Society would aim to give no man more than the product of his labor; and individual

products, while they may differ by thousands, do not differ by millions, except in the cases where product is spiritual rather than material, and therefore incomputable.

In addition to this narrowing in of the extent of competition, its nature would be materially changed, owing to the greater approach to equality of opportunity. While inherent inequalities must remain, the educational system before mentioned, the prohibition of child labor, the securing of a living income for every family—more than all, the abolition of the handicap due to differences in the possession of working capital—all these could not fail to smooth down those great inequalities that enable one man at present to equal in product a hundred others.

The Essentials of the Socialist Commonwealth. The countless questions that arise in the average conversation on Socialism, "What is to become of the inventor? of the farmer? the banks? the stock market? the lawyers?" are all corollaries to be worked out, each thinker for himself, by applying the general outlines of the Socialist commonwealth to the facts of economic development.

The economic essentials of this outline are: 1. Social ownership by political and industrial bodies of many types; 2. The survival of private

ownership in certain fields; 3. The disappearance for the most part of interest on private capital; 4. Equality of opportunity; 5. Inequality of incomes; 6. Guarantee of adult employment with social provision for the incapacitated; 7. Competition, limited at the bottom by the living wage and elsewhere by the whole product of the individual's labor.

The social principles emphasized in the cooperative commonwealth are, first, the freedom of the individual in so far as he does not impair the freedom of others; and, second, the brotherhood of all manual and intellectual workers throughout the nation and the world. The entire social and economic structure is to rest on the will of the people, expressed through a government which shall approximate as closely as possible a pure democracy. This popular will of the future cannot be foretold in detail, and cannot be hampered by the decisions of the present generation, but it will be based upon the ideal of brotherhood, directed by a complete system of free education, and limited only by the irresistible forces of economic development.

Suggested Reading

Karl Kautsky—The Social Revolution—The Day After the Revolution.

Emil Vandervelde—Collectivism.

Spargo—Applied Socialism.

Spargo and Arner, Hillquit, Work and Hughan, as before suggested.

Topics for Reports and Discussions

Anti-Militarism in Europe; The Belgian Co-operative Societies; Eugenics and Socialism.

What Statements in the Foregoing Chapter May Be Pronounced Utopian?

Should the Use of the Red Flag in Processions Be Prohibited?

Did the Founders of Our Government Plan for a Pure Democracy?

What Industries Are Now Ripe for Socialization?

Would the Farmer Be Helped or Injured by Socialism?

Can the Product of an Individual Equal a Million Times That of the Unskilled Laborer?

Would Socialism Cause Degeneration by Stopping the Survival of the Fittest?

CHAPTER VIII

THE IMMEDIATE DEMANDS

Steps Toward Socialism. The previous chapter has dealt with the ultimate stage of Socialism, the perfected commonwealth. While we have at times mentioned stages in the development of certain institutions, we have in general taken a leap into Socialism Triumphant, without considering the space between.

The typical Socialist platform does not thus project itself. After devoting most of its efforts to an indictment of the capitalist system, a proclamation of the downfall of this system, and a call upon the workers to unite, its definite proposals are not for the revolutionary transformations of the previous chapter, but for a series of reforms known as immediate demands.

The Socialist attitude toward these demands varies; some "revolutionary" members of the party disapprove of them altogether; others consider them a harmless vote-catching device; the

majority favor them heartily as a means of strengthening the working class in its struggle under capitalism. There is a general disinclination to treat them as *transitional* demands, or installments of Socialism, owing to the conviction that no portion of genuine Socialism can exist until the working class have gained complete power.

The Transition Period. It is almost universally acknowledged, however, that a transition stage must intervene. A system cannot be born in a night, and even those revolutionists who look for a sudden leap into power cannot hope for an equally sudden reconstruction of society. Whether the intermediate period will be long or short cannot be foretold, nor to what extent its first stages may be ushered in by non-Socialist governments.

Forces Working for Socialism. During this transition period two kinds of forces will be working to bring about the steady decay of capitalism and the gradual upbuilding of the new structure. First of these are the automatic tendencies—the failure of individualistic methods as exemplified in the periodic crisis, the forcing of labor legislaton as a protective measure, and, most of all, the great trust-making process which by socializing industry makes government ownership practica-

ble, and by threatening to dominate society makes government ownership a necessity. Second are the conscious forces—to some extent the growing humanitarianism of the age acting upon the capitalists, but far more than this, the deliberate action of the workers, at last in possession of political power and using this power for the construction of a new social order.

Taking as a guide the general trend of economic and legislative development, the conception already gained of the ultimate commonwealth, and the immediate demands of the Socialist platforms, we find four lines of legislation that must be pursued simultaneously in order to reach the goal. To the common question, "What would Socialists do first if they should come into power this year?" it may be replied that they would immediately enter upon these four courses of legislation, passing from one stage to another until the limit of progress in each should be reached.

Political Demands. The first of these is political, for the Socialist deems democratic management the great essential, without which the most perfect collective economy would be but State Socialism.

Woman suffrage is a demand that appears in

every Socialist platform and is supported vigorously by every Socialist legislator, Victor Berger having introduced a measure to that effect in Congress. The Socialists make the equality of the sexes a feature of their party organization, directing special efforts to secure women members and electing them to important party offices.

The initiative, referendum and recall are always in the forefront of Socialist demands, and, like woman suffrage, are practiced in the party itself. The first two are commonplaces of Socialistic activity, and an interesting example of the third was when in 1912 a popular labor leader was recalled from the National Executive Committee for alleged violation of the party constitution.

The Courts. The Socialists regard the existing power of the courts in the United States as opposed to democratic principles, and propose to curb it, first by limiting materially the use of the injunction, second by taking away the privilege of the Supreme Court to pass upon the constitutionality of legislation, and third by electing all judges for short terms subject to recall.

Other political changes proposed by the Socialists are proportional representation, the abolition

of the Senate, and the abolition of the veto power of the President.

There is hardly one of these reforms that is not advocated by radical non-Socialist groups, and it is accordingly idle to dwell upon them in this volume. Wherever it is practicable, Socialist legislators are working with these other radicals to bring about results.

Financial Demands. The second line of measures is financial, and here again the Socialists find themselves in company with other parties. So overwhelming has been the current of reform in the last three decades that a glance at the early Marxian platforms is needed in order to show that most of the radical measures now brought forward are planks appropriated from the Socialist program.

Taxation. In finance the Socialists have two aims, to shift the burden of taxation from the poor to the rich and to provide the various governments with resources for the acquiring of industry. They are free-traders, Congressman Berger having voted for tariff reduction and Canadian reciprocity, but consider the tariff a minor issue from the working-class point of view. A much more important matter to them is the tax on land values, which they advocate with the fol-

lowers of Henry George, looking forward to the ultimate nationalization of not necessarily all land, but all land used for exploitation. Chief of their financial measures, however, are the income and inheritance taxes, graduated so as to bear hardest upon the very rich and incidentally to reduce the plutocratic power. Beginning with moderate rates, the Socialist policy is to make these progressively heavier.

While designed primarily as means for relieving the pressure upon the working class, it is evident that this radical system of taxation can be used, as in England, as the basis for wide schemes of government relief or as the means of acquiring extensive areas of industry.

Industrial Demands. The third field of legislation, and that of most immediate practical importance, has to do with labor and industrial life.

As measures intended to strengthen the working class in its struggle with capitalism, all Socialists, of whatever shade of belief, work enthusiastically for laws that shall allow the utmost freedom of boycott, strikes and picketing.

Every Socialist platform calls for the abolition of child labor and the establishment of an eight-hour day for men and women, with the further reduction of working hours as industrial progress

may permit. Full compensation in industrial accidents is always one of the first measures introduced by the Socialist legislator, to be accompanied by complete social insurance and a system of universal old-age pensions.

A minimum wage is demanded for all workers, to be fixed at the standard of decent living. Finally, the necessary consequence of the minimum wage provision and the culmination of Socialist reform is the establishment of the right to work by a government guarantee of employment to every able-bodied adult.

Culmination of Socialist Reform. While old party reformers may be found active in the early stages of this labor legislation, it is evident that by guarantee of employment, probably also by the enforcement of a minimum wage, the foundations of capitalism are threatened. With public employment furnished to all at living wages, no entrepreneur could secure workers for less than this, and the disappearance of the reserve army would render him helpless in case of a reasonable strike. Moreover, the way would be open for the Socialist state, by gradually raising the minimum wage toward the maximum of the whole product of labor, to secure a rise of wages and a fall of interest that would eventually force out the em-

ployer altogether. Before this point, therefore, perhaps at the imposition of a really heavy inheritance tax, the non-Socialist reformer would have turned aside, and the Socialists would be compelled to wait for a working majority to accomplish their legislation unaided.

In still another way would the enforcement of the last industrial demand mark the end of the transitional stage and the beginning of the Socialist commonwealth, for the provision of employment for all comers would be manifestly impossible without the existence of public industry on a scale hitherto unheard of.

Collectivist Demands. The fourth series of enactments, however, the collectivist, will also have progressed far on its course under the capitalist régime. Familiar as we are in this country with state-owned roads, lighthouses, post office, water works and public schools, we all realize that America has made a mere beginning in collective industry in comparison with the state railroads, telegraphs and mines of many European countries.

The Order of Socialization. The first steps in this path are accordingly clear, and, as in the other fields of legislation, Socialists are beginning their work with the approval and aid of old party

radicals. The federal ownership of railroads, telegraphs, and wireless, and the local acquiring of telephones, illuminating plants, and traction lines, are already issues, as is the government title to irrigation, water power, forests and waste lands.

The next step leads to the great trusts. We can all name ten or a dozen of these that are already convicted of law-breaking and oppression, already the object of futile measures of government control, and already proving themselves in many ways more powerful than the government by continuing to act in open defiance. It seems only a question of time before society will be forced to take possession of these. After the first crop of trusts has been gathered in, a second will probably be ripe and ready for harvest, as has been indicated in a previous chapter; so the process may continue until all the means of industry that are socially used are also owned and controlled by society.

Method of Acquirement. A question arises at this point: How may these industries be taken over, even by a majority in power? by violent or peaceful measures? with compensation or without?

It can be said definitely that the Socialists con-

template peaceful and legal methods of acquiring industry, with the possibility of violence only as an illegal rebellion of the plutocratic minority. Ideas differ as to compensation, the dominant opinion following Marx, in his declaration that compensation might prove to be the easiest and cheapest method of accomplishing the change. The Socialist philosophy in its very hostility to the capitalist system precludes vindictiveness toward the individual capitalist, and in its consistent setting of human life above property values is committed to peaceful as against violent means of revolution.

A Socialist is occasionally found vigorously defending direct confiscation on the ground that the working class would be ethically justified in taking back that which they themselves have created, but even he will usually admit that a policy of at least partial compensation would be the most humane and expedient, except in those special circumstances that would render confiscation the normal process.

The Mechanism of Transfer. The details of the process would be materially different according as the Socialist transformation may take place in one decade or another, and the Socialist platforms make no specifications in the matter. All

that can be done here is to suggest methods of transfer which are in accord with Socialist policy and available should the majority occur at the next election. In the first place, there are many possibilities in the way of penalties. In cases of flagrant and repeated violation of law by a corporation, the government, instead of demanding a fine or invoking dissolution, might simply take possession, either without compensation as in smuggling cases, or by paying the physical valuation of the property. Again, when an industry has been so far mismanaged by private persons as to require the appointment of a public receiver, the government might decline to render the business again into private hands.

Furthermore, the progress of Socialist legislation would be likely to see many industries making voluntary negotiations to be taken over by society, as some of the New York ferry companies have already done. The railroads are complaining (somewhat hypocritically perhaps in view of the 35 per cent. Lackawanna dividend in the first quarter of 1913) that, between labor legislation on the one hand and control of rates on the other, they will soon be unable to render service at all; and, when to progressive taxation are added compensation acts, the eight-hour day,

freedom to strike and the minimum wage, capital is likely more and more, as it is beginning to do in England, to withdraw from these more fully perfected industries, resign them to the public, which is already attempting to regulate them, and turn its activities into newer and less developed channels.

A third probability in certain fields is that the central or local government will begin operations not by taking over existing plants but by building new ones, which through the natural advantages of large scale enterprise would soon dominate the industry without the aid of a legal monopoly.

In the cases, finally, where social ownership of existing businesses is desirable before private capital is ready to withdraw, the right of eminent domain is, or can be made, sufficient to cover the legality of a compulsory transfer; and compensation would doubtless be determined by the same laws that now govern condemned property.

A question that has loomed large to many speakers on Socialism is "Where will the money come from to pay for these great industries?" The point is sometimes amplified by statistics as to government income or as to the quantity of coin existing in the country. As a matter of fact, there is little probability that any transfer of coin

would figure appreciably in the process of expropriation, or even that the various governments would be under the necessity of raising the entire purchase money by taxation. As has already been suggested, the income and inheritance taxes would place large sums of money at the disposal of the transitional state; and, after devoting a portion of this to pensions and relief work, much would soon be available, as the rate grew heavier, for the acquiring of industries.

Aside from the ultimate source of the purchase money, however, the most natural medium for transfers on a large scale would be, as at present, government bonds. Our governments are in the habit of issuing bonds to cover any large undertaking such as the Panama Canal, and even when a trust swallows up the minor corporations it is under no necessity of giving gold coin in return; an exchange of certificates of obligation is the only mark of the sale. The expropriation of industry would probably consist actually of the giving up by individuals of private obligations of various types and receiving in return bonds issued by the local or central government, bearing whatever fixed rate of interest is prevalent at the time, but allowing for the fact that in view of their greater security such bonds may offer a lower rate

than those of private corporations. As the progress of Socialist legislation, with the gradual narrowing in of private industry, accelerates the natural lowering of the interest rate, each new series of bonds could take advantage of this fall.

Extinction of Capitalist Interest. Even while advocating compensation, Socialists do not contemplate the maintenance of a privileged bond-holding class in the coöperative commonwealth; and before the transition period is at an end all payment of income to the non-worker must have ceased. As to await the natural disappearance just alluded to would put off this consummation to a very remote period, we may expect that the Socialist government, as soon as public opinion should have rendered it practicable, would proceed to the deliberate, though gradual extinction of the bond-holding class. This could easily be done through the progressive raising of the rate of inheritance and income taxes past the confiscation point until in a generation or two all unearned income should be eliminated. Another expedient that has been suggested would be to substitute for the ordinary bonds those bearing a decreasing rate of interest; one per cent., for example, might be subtracted at the end of each decade, so that the 4 per cent. bond would at the

end of forty years pay but 1 per cent. and in the next decade no interest at all, but merely a certain installment of the principal. Granted a favorable public sentiment, even the principal might be repudiated after due notice and an interval of interest-bearing sufficiently great.

The two points to be borne in mind are, first, that the expropriation may be so gradual as to involve no extreme changes within a generation, and, second, that the methods of transfer that have already developed from the socialized industry of the trust will naturally continue for a time in the socialized industries of the state.

Summary. To sum up the chapter, we find that a transitional period is expected by the great majority of Socialists, and that the immediate demands of the platform, while pushed chiefly as a means of provisional strength to the working class, yet give us a fairly good foundation for this period. They show that the Socialist state is to be brought about both automatically by economic forces, and deliberately by legislation of four general types. These four types, to be inaugurated simultaneously, are: first, the political, including the initiative, referendum, recall, woman suffrage, and other devices for securing democracy; second, the financial, consisting of extensive

income, inheritance and land taxes; third, the industrial, embracing various forms of labor legislation, social insurance and pensions, freedom to strike, the minimum wage and the guarantee of employment; and, fourth, the collectivist, under which comes the gradual acquiring of the principal means of industry, beginning with the public utilities and larger trusts. This process of expropriation is to be accompanied by at least partial compensation unless the transition period should be ushered in by a violent revolution, and it is probable that this compensation will take the form at first of government bonds.

Except to those who maintain that no installment of Socialism can arrive under a capitalist government, it is evident that we have some time since crossed the line into the transitional state. How far this path shall be followed toward the ultimate goal of Socialism is a matter both of economic forces and of our own conscious choice.

Suggested Reading

Socialist Party Campaign Book, 1912.
Platform of the Socialist Party.
Walter Weyl—The New Democracy.
William English Walling—Socialism As It Is.

THE IMMEDIATE DEMANDS

Carl D. Thompson—The Constructive Program of Socialism.

Possible Methods of Socializing Industry (a Symposium in the Intercollegiate Socialist).

Topics for Reports and Discussions

Child Labor Laws; Woman Under Socialism; The Minimum Wage; The Distinction Between Socialist and Reformer; The Injunction in Labor Disputes.

Should the Right to Work at a Living Wage Be Guaranteed?

Would Money Be Used in a Socialist State?

Can Single Taxers and Socialists Work in Harmony?

Can Socialism Be Brought in by Installments?

CHAPTER IX

THE SOCIALIST PARTY

Distinctness of the Party. While based upon the Marxian belief and working for the coöperative commonwealth, Socialism has its corporeal existence in the form of a political party. It is represented in every civilized country and everywhere keeps itself a distinct and permanent organization. When asked to merge its identity in some other radical body or even to give temporary indorsement to non-Socialist candidates, the Socialist Party prefers to sacrifice every chance of success to the policy of independence and "No Compromise." A frankly working-class movement consciously striving against the interests of the capitalist as such, it refuses to bargain for the votes of the bourgeois, and even considers worthless all support which is not based upon deliberate Socialist conviction.

The Socialist Parties differ radically from other political organizations of the United States.

While the latter consist usually of an inner circle of professional politicians surrounded by a large and nebulous aggregation of voters, the Socialist Party is itself a political club on a large scale, with dues-paying members who meet as a rule every fortnight the year round. While the vote is six or seven times as large as the party membership, it is the latter that forms the permanent core of the movement, determining policies, nominating candidates, and beginning its campaign activity the day after every election. It is a somewhat amusing commentary upon current criticism that the Socialists, who are charged with being elusive, difficult to identify, and unable to agree with one another, are in fact the only American party that are able at any moment to state their *bona fide* membership, to separate this from their fluctuating vote, and to produce city, state and national platforms, each article of which has been passed upon by a referendum, and all of which are in close agreement.

In the opening chapter of this book it was explained that there are two Socialist parties existing in the United States. Owing to the very small membership and vote of the Socialist Labor Party, it will not be specifically described in the following pages. Except for the fact that its

administration is more centralized and less democratic, it agrees in general with the organization of the Socialist Party, which will here be taken as representative of the American movement.

Organization. Any man or woman over eighteen and not affiliated with any other political party is eligible to membership. He must sign an application stating his recognition of the class struggle and his advocacy of a working-class party, and is required to pay dues of from 15 to 25 cents per month. Voluntary contributions of one kind or another usually bring up this sum considerably, but any person out of work is allowed a special dispensation from all payments.

Members are grouped into local organizations, which in large cities are divided into branches comprising one or two assembly districts. These branches amount to neighborhood clubs, where questions of theory and policy are discussed, propaganda lectures are held, and local campaigns are carried on. Street corner meetings are often arranged for the summer months, and of recent years the house-to-house distribution of literature has been systematically carried on. The city local meets seldom as a body, but conducts its affairs through a paid organizer and a central committee elected by the branches.

The locals unite to form state organizations, maintaining usually a salaried secretary and doing business through a state committee elected by the locals. The state body has complete autonomy, conducts its own campaigns, and recognizes or expels locals as it may see fit.

The national organization is governed by a National Committee of 69 members, chosen by the states in proportion to their membership, by a National Executive Committee of five, elected by this National Committee, and by an Executive Secretary elected in the same way. The business of the national office is large, for in addition to the conducting of the national campaign it carries on an extensive propaganda all the year round, routing lecturers through the states, circulating immense quantities of literature, and constantly taking action in such matters as strikes, local controversies, and the organizing of new territory. An important feature is the recently established Information Department, the work of which includes the assembling of legislative measures introduced by Socialists, the gathering of material concerning Socialists elected to local offices, the drafting of city charters, and the assistance of foreign-born Socialists in obtaining naturalization.

Some National Leaders. The member of longest standing in the National Executive Committee at present is Victor Berger of Milwaukee, a trusted leader of the Wisconsin group, who has recently completed his term as the first Socialist Congressman in the United States. Other members of the committee are Adolph Germer of Colorado, George H. Goebel of New Jersey, James H. Maurer of the Pennsylvania Legislature, and J. Stitt Wilson, a former minister, the outgoing mayor of Berkeley, California.

Walter Lanfersiek is the Executive Secretary of the party, and Winnie E. Branstetter the General Correspondent of the Woman's National Committee, a body which has in its charge the especial propaganda among women.

Noteworthy members of the National Committee outside those already mentioned are Lewis J. Duncan, now serving his second term as mayor of Butte, Montana; Winfield R. Gaylord, former State Senator of Wisconsin; Morris Hillquit, the author of *The History of Socialism in the U. S., Socialism in Theory and Practice,* and *Socialism Summed Up,* and John Spargo, among whose many writings are *Socialism, Applied Socialism,* a life of Karl Marx, and, in conjunction with Professor Arner, a text-book of Socialism.

The candidates for President and Vice-President of the United States in 1912 were Eugene V. Debs, for three campaigns the standard bearer of the Socialist Party, and Emil Seidel, the former mayor of Milwaukee.

The International Party. As has been mentioned, the national organization, while conducting its affairs independently, is part of an international party, having its headquarters in the International Socialist Bureau at Brussels. Each country is entitled to two representatives on this bureau, but, as the American movement is still divided into two parties, the S. L. P., though numbering only a fraction of the American Socialists, elects one of these officers, Daniel de Leon, while a woman, Kate Richards O'Hare, is the sole representative of the Socialist Party. The Bureau is employed in keeping the various parties in touch with one another, calling an International Socialist Congress every three years. When a European nation is conducting a general strike, when an American newspaper is struggling hard for existence, when a proletarian leader in any country is threatened with death or imprisonment, the event is made a common cause by the entire international body. A part of the work of the Brussels Bureau is in disseminating information as to

labor conditions and in working toward an agreement by the proletarians of the different nations on the subject of immigration.

The most important influence of the international organization, however, is in its continuous and systematic opposition to militarism. Socialists claim that on several occasions European war has actually been averted by the refusal of the workers of one country to take arms against their comrades across the frontier, and it is at least true that this permanent anti-militarist force has become a factor to be reckoned with in European councils.

Democracy in the Socialist Party. Throughout the whole Socialist organization, from the district branch to the international, the most conspicuous feature is that of democracy. A new presiding officer is chosen at every meeting, an elected candidate must follow the policy laid down by his constituents or suffer recall, and every important matter, including each plank of the platform, must be settled by referendum vote. A good result of this extreme democracy is that so far corruption is a thing unknown in the Socialist Party; bad results are that efficiency is at times sacrificed to freedom of discussion, and potential

leaders are held down to mediocrity by the will of the rank and file.

Varieties of Socialists. It is partly owing to the democratic spirit and the consequent regard for minority opinion that Socialists have achieved a reputation for lack of agreement among themselves. Controversy certainly runs high in the Socialist Party, but what appear at first sight to be innumerable divisions and sects prove usually on further acquaintance to be merely the shadings from extremist to moderate that may be found in any living movement.

The distinction between the moderate Right and the extremist Left is the distinction around which are grouped most of the Socialist "varieties," such as the opportunist, constructivist, revolutionist, industrialist, intellectual, proletarian, and Christian Socialist.

Constructivist and Revolutionist. On the Right of the party is the constructivist or "reformist" ving, represented by the Milwaukee section, and by such national committeemen as Berger, Spargo and Hillquit. It expects the change to Socialism to be gradual, peaceful and accomplished by political means; accordingly it works vigorously for the actual election of Socialists to office, making much of the immediate demands, and carrying on

bona fide local and national campaigns. Wherever a legislative group has been secured, as in Wisconsin, these follow the methods of the German Socialists, bringing forward the planks of their platform as quickly as practicable, supporting labor in every crisis, but engaging in the ordinary routine of legislation and working with non-Socialist groups whenever some definite benefit may be secured to the proletariat.

While the constructivist claims to be in the general sense a revolutionist, the Left of the movement are accustomed to deny this name to any but themselves. According to the extremists of this wing, the Socialist commonwealth will be ushered in by the sudden and perhaps violent seizure of industry by the proletarians, probably as a consequence of Socialist political victory and capitalist revolt. The revolutionist in general scoffs at the idea of "steps toward Socialism," for he maintains that no feature of the commonwealth can exist before complete proletarian control has been attained. He expects that most of the provisional reforms outlined in the Socialist platform will before that time be yielded by the capitalists in the form of State Socialism and under the pressure of economic forces or organized labor; accordingly he cares nothing for the immediate de-

mands of the party, except in so far as they cut into profits and place workers more nearly on a fighting equality with capital. So little faith has he in any gradual coming in of the Social Democracy that he is inclined to discourage any "vote-catching" campaign and counsels rather a policy of waiting and organizing against the destined day of revolution. A large part of the Left wing at present is permeated with the doctrines of Syndicalism, which will be noticed in the next chapter.

Marxist and Revisionist. While in this country we hear little of the terms Marxist and Revisionist, there are traces of this distinction corresponding to the one just mentioned. The Marxists, who, adhering implicitly to the analysis of Marx, look for a cataclysm to come about largely through automatic causes, naturally incline toward the Left, or revolutionary side, while the Revisionists, who follow Bernstein in his modification of the idea of catastrophe, are apt to be constructivist and parliamentarian. On the other hand, while the abstraction-loving Germans have from the beginning made much of the scientific theory of Socialism, the American movement, to the degree in which it has become a native product, has busied itself chiefly in attacking the con-

crete abuses of capitalism and building up an efficient organization against it. Instead of demanding that the Marxian theory be revised, the American Revisionist is inclined in great part to let it alone, and the question, "Is theory to be emphasized in propaganda?" has largely taken the place of the scholastic discussions of the German intellectuals.

Christian Socialist. In our country Christian Socialism does not, as in Germany, represent a special brand, but is merely a convenient designation of those persons who are both Christians and Socialists. In view of the fact that many members of the party are radicals in religion as well as in politics, a number of men and women prefer to make plain their affirmation that Christianity can be fulfilled only in Socialism. Christian Socialists are not identified with either wing of the party. Tending naturally to peaceful measures, they are perhaps found in greater numbers on the constructivist side, but, on the other hand, their emphasis on spiritual values brings them at times into alliance with the revolutionists in their opposition to what might be considered a time-serving policy.

Proletarian and Intellectual. The terms proletarian and intellectual, with the somewhat derisive

"parlor Socialist," correspond to no classifications of belief or policy. While the great majority of the Socialist Party consists of the skilled and unskilled manual proletariat, there is also a considerable percentage of "intellectuals," professional and salaried men and women who have recognized their common interest with the wage worker rather than the capitalist and enlisted in the struggle accordingly. These brain workers, together with the small sprinkling of "parlor Socialists," or capitalists who have deliberately renounced their class interest from altruistic motives, are of decided service to the movement as speakers, writers and executives. While Marx, Engels, and most of the intellectual leaders of the last generation were of bourgeois origin, this class in America is each year more largely made up of self-educated men and women from proletarian families. The distinction is accordingly of but slight significance, and seldom appears outside the amenities of personal controversy.

Industrial Unionist and Syndicalist. Designations that have recently come to the front in the Socialist Party are those of industrial unionist and syndicalist. These nearly synonymous terms, in so far as they correspond with Socialist subdivisions, are to be classed under the revolution-

ary or Left wing of the party. Further discussion of these will be deferred to the next chapter.

With the caution that the divisions just mentioned exist seldom unmodified, and that in any case they represent shadings of outlook rather than hard and fast lines or factions, we will go on to consider some of the problems now before American Socialists.

Suggested Reading

Constitution of the Socialist Party.

William English Walling—Socialism as It Is.

John Spargo—Sidelights on Contemporary Socialism.

Hillquit and Hughan, as before suggested.

Skelton—Socialism: A Critical Analysis.

The Party Builder (Periodical).

Topics for Reports and Discussions

Christian Socialism; The International Organization and European Peace; The "Varieties" of Socialism; How a Socialist Local Is Carried On.

Ought the Recognition of the Class Struggle Be Required for Membership in the Socialist Party?

Why Do Socialists Pay Dues?

Is the Intellectual Worker to Be Classed as a Proletarian?

Ought the Marxian Theories to Be Revised?

Is Every Socialist a Revolutionist?

CHAPTER X

THE PROBLEMS OF AMERICAN SOCIALISM

The Socialist Party of the United States is no longer a limited group of theorists, no longer a cult of doctrinaires looking only into the remote future. It has emerged for good or evil as a national force, active and acted upon by all the other forces of industry and politics. The problems with which modern Socialism is seething are concerned not with doctrine or ultimate goal, but with matters of present policy.

Political Policy. The last four years have brought the Socialist Party for the first time into the responsibilities of actual government. A Socialist Congressman, a goodly number of state legislators, several important municipal administrations, and many local officers scattered throughout the country have had to face the problem of Socialist action in the midst of a capitalist society. The task of the legislator is compara-

tively simple; measures are voted for or against according to their effect upon the working class; official aid is utilized where possible to secure fair play in labor disputes; and as rapidly as practicable the immediate demands are introduced, sometimes with a chance of enactment by the aid of other radical groups, more often as a mere "address to the people from the windows of parliament."

Municipal Administration. The municipal administration, however, has harder problems to settle. In the presence of these questions of efficiency, economic theory can aid only indirectly, and the Socialist commonwealth can avail only as a bright ideal; the Marxists must bend their unaccustomed energies to formulate Socialist policy on such matters as budgets, franchises, public schools and Sunday closing.

From all quarters criticism is without mercy. On one side is the citizen reformer whose vote of protest has probably aided the Socialist victory,—whose ideals are the enforcement of law and a low tax rate, whose bugbear is the driving away of business. On the other side is the revolutionary Socialist, armed with the right of recall and ever ready for a clash with the bourgeois element,—his war cry, "The working class, right or

wrong," and his municipal ideal the spoiling of the Philistines by high taxes utilized for the proletarian advantage.

Of the four principal Socialist municipalities of which we have experience, Milwaukee was criticised by business men on the score of an increased budget, even though this increase was largely accounted for by the appropriations and mismanagement of former incumbents, and though the reform element on the whole remained true to Mayor Seidel in the face of the coalition that drove him from power. Mayor Duncan, of Butte, Montana, has achieved the distinction of entering upon a second term to the satisfaction of all parties; but Berkeley, under J. Stitt Wilson, is spoken of slightingly by the left wing as a mere reform administration. The government of Mayor Lunn in Schenectady, New York, while successful in enforcing the laws, cutting off graft, and keeping down the budget in spite of increased social expenditures, has for some of these very reasons incurred the displeasure of radical Socialists. To the latter the policy of Schenectady has been a mere attempt at vote-catching, an ineffectual bid for reëlection by the aid of non-Socialist elements; to the constructivist it has been a genuine and, on the whole, successful trial at

applying the principles of Socialism to the details of the city.

One point is agreed upon by both sides: Socialist city government is in the experimental stage. Sincerity and revolutionary spirit are not enough. Experts must be trained up in the Socialist Party, the rank and file must learn by study of detail how best to hold up the hands of their elected officers, but most of all the actual handling of local problems must be counted on to teach those men who are entrusted with power in what way it may best be used.

Industrial Policy. Socialism is the manifestation of the class struggle on the political field, organized labor on the industrial. Although the Socialist smiles when he is charged with responsibility for the anti-Socialist president of the American Federation of Labor, the opposition is but an accident and the connection is fundamental. Socialists are invariably on the side of labor, and the Socialist press is very prone to alienate "bourgeois" sympathizers by its open partisanship. The question in controversy is never "Shall we support the labor movement?" but only "Shall we advocate any one form of labor organization?", "Shall we approve certain tactics on the

part of labor?" or "To what extent can the labor union bring about the social revolution?"

The relations of the Socialist Labor Party and the Socialist Party to the American Federation of Labor have been mentioned in a previous chapter—the quarrel under de Leon, the gradual interpenetration of the labor ranks with Socialists, and the steady hostility of Samuel Gompers and the officers of the Federation. We have spoken also of the founding in 1904 of the Industrial Workers of the World, an organization on industrial rather than craft lines, grouping together the skilled and unskilled workers of a whole industry rather than the members of a certain craft running through various industries.

The Industrial Union. Such a union, by its inclusion of both skilled and unskilled, and by its massing of workers in large local groups, is better adapted to the revolutionary movement than the old type. From the beginning, furthermore, we find the typical industrial union antagonistic to trade agreements as hindrances to untrammeled action, and stating its aim in Socialist terms as not "A fair day's wages for a fair day's work," but "Complete surrender of all control of industry to the organized workers."*

* The I. W. W., Vincent St. John, p. 12.

Although the Industrial Workers of the World soon lapsed into temporary obscurity, the principle of industrial unionism continued to gain ground among American Socialists, and, when in the spring of 1912 several hard-fought strikes threw the I. W. W. once more into prominence, the reviving organization became part of a strong though somewhat confused industrialist movement. It is around this movement that controversy has waxed brisk for several years.

On the one hand has been the question whether the Socialist Party should indorse the Industrial Workers of the World as against the American Federation of Labor, honeycombed with Socialists, but hostile in its administration. This matter was settled, for a time at any rate, when the Socialist convention of 1912 passed a resolution recommending the industrial principle, but failing to indorse any one organization. On the other hand is the deeper controversy as to direct versus political action, which leads us to a discussion of the world movement called Syndicalism.

Syndicalism. This movement, receiving its name from the French term *syndicat ouvrier,* or labor union, has its greatest strength in France and Italy. It exists in England under its own name, but with characteristics slightly different

from those of the continental variety, and in America it appears both in the broad movement of industrial unionism and in the narrower activity of the I. W. W.

These three terms are often confused in the public mind, owing partly to the frankly indefinite membership of the American syndicalist organizations, partly to the vagueness attached to any new movement, and partly to the almost synonymous character of the words themselves. It may be borne in mind, however, that industrial unionism embraces all upholders of the industrial as against the craft union, whether revolutionists or otherwise, and includes the majority of Socialists as well as certain branches of the A. F. of L., such as the United Mine Workers. Syndicalism refers to the continental movement, founded indeed upon the industral union, but making this the basis of a complete revolutionary philosophy and tactics directed toward the overthrow of capitalism. The I. W. W., prominently before the American public as representing the industrial union and the more radical Syndicalist movement, is a somewhat loosely organized national union, whose leaders are deeply impregnated with Syndicalist ideals, but whose rank and file consist largely of unskilled and alien workers brought to-

gether by the industrial union policies of low fees, short strikes, and welcome to all workers.

Syndicalism, as has been said, is based upon the industrial union, with its accompanying features of local groups, mass action and the inclusion of both skilled and unskilled workers. It is revolutionary not alone in demanding the abolition of the wage system, but also in constituting itself the instrument for its overthrow. Where the old style union works for fair treatment by the capitalist, and the Socialist strives for the ousting of the capitalist by political means, the Syndicalist expects the union itself to conquer industry and inaugurate the new commonwealth unaided. In this coming society, according to the Syndicalist ideal, the political state will have disappeared, and the sole government will be that of the industrial unions themselves, conducting production in their several fields according to the will of the workers, and loosely subordinate only to the general industrial organization.

Direct Action. Direct or non-political action is accordingly the characteristic of Syndicalism. Including as it does all non-political forms of the class struggle from the boycott to the barricade, direct action is manifested most distinctively in the mass phenomenon called the general strike

and in that form of attack known as sabotage.

The General Strike. The ideal of the general strike is the complete cessation of wage labor over a whole territory for the purpose of obtaining concessions from the ruling class, the final general strike to constitute in itself the social revolution.

The general strike as hitherto attempted in this country has never amounted to more than a single strike extending through a large industry or at times a sympathetic strike for a few days in several local industries. On the continent an approximation to a general strike has been used with some success, as recently in Belgium, for the purpose of influencing elections or wresting political reforms from a conservative government.

Toward the actual manifestations of the modified general strike, as toward the principle of industrial unionism, the majority of Socialists are favorably inclined and give their willing support. It is only toward the general strike as the chief or only instrument of the social revolution that they hold themselves in opposition, believing that an effectual general strike on a national scale is an impossibility and that, even were this practicable, the seizure of industry could result only in anarchy unless the political power had previously been secured.

Sabotage. Sabotage is a term borrowed from French Syndicalism to denote the systematic form of a practice dating back to the days of slavery. It includes all deliberate slackening or slighting of production for the purpose of obtaining concessions from the employer, as well as any skillful operation upon machinery of such a character as temporarily to disable it during a strike. Examples of sabotage given by Giovannitti are the laying of less than the usual number of bricks in the day's work, the deliberate sewing of crooked seams, the doctoring of thread with chemicals, and the hiding of a bolt or wheel without which a machine is helpless. Sabotage "has nothing to do with violence" to life or property.*

While sabotage is not essential to the industrial union, it is a definite policy of Syndicalism and of the I. W. W. Although there is no evidence of its extensive use in the strikes of the latter, it has become a fruitful subject of discussion among American Socialists. In the Convention of 1912 a section of the constitution was passed declaring that "any member of the party who opposes political action or advocates crime, sabotage or other methods of violence as a weapon of the

* Arturo Giovannitti, Preface to Sabotage, by Emile Pouget, p. 14, ff.

working class to aid in its emancipation, shall be expelled from the party."* Though the section was upheld by the referendum of the same year the Syndicalist element refuses to consider the decision as final, and discussion still continues.

On the one hand, it is contended that sabotage discredits the proletarian cause before the public, corrupts the morals of the working class, and opens the way to violence and deliberate dishonesty on the part of irresponsible individuals. The Syndicalist maintains in reply that one form of sabotage is merely the reversal of the labor motto so as to read "An unfair day's work for an unfair day's wages," that the other form is ethically justifiable as a war measure, that in neither is any violence done to life or property, and that, in so far as the boycott and the picket are declared illegal, sabotage is the only weapon remaining beyond the reach of the law.

Direct Versus Political Action. As hitherto practised the general strike and sabotage are mere matters of union tactics of no direct consequence to Socialism. They become of serious importance only when recognized as a part of the Syndicalist policy of direct action rather than political. The Syndicalist considers the immediate de-

* Constitution of the Socialist Party, 1912.

mands of the Socialist platform only a politician's device, as in his opinion all the reforms which they advocate will either be conceded voluntarily by capitalism or be forced from it by the strike and kindred weapons. The social revolution will be brought about not by the gradual conquest of political power, but by the seizure of the industrial machinery through a general strike; and in the future commonwealth, a government not of men, but of things, the political state will be obsolete and its place taken completely by the industrial union with its General and International Organizations.

The majority of the Socialist Party dissent from this view, maintaining that political action has been the characteristic of Socialism in all countries since the days of Marx. They believe that direct action, while a valuable weapon of the working class in winning both immediate and ultimate demands, is wholly incapable of accomplishing these results unaided. Political power is a necessity for the present in order to secure legal immunity for the striker and to strengthen the working class by improved conditions. It is indispensable for the future in that the general strike is self-limiting and can never of itself bring the revolution; and that, even if such an event

were possible, the industrial union would be essentially unable to take the place of the political state in reorganizing society.

The position of the Socialist Party was definitely taken in 1912 by the section above referred to, making the opposition of political action a ground for expelling any member; and this stand was virtually confirmed within a year by a vote of the National Committee, as well as by a referendum of the party recalling William D. Haywood from the National Executive Committee for alleged opposition to political action.

In so far as direct action concerns the Syndicalists outside the party, it is not an issue in American Socialism as is the problem of revolutionary versus reformist administration of municipalities; to the extent, however, that the principles of Syndicalism have permeated the minority of the Socialist Party itself, the question of direct action is of equal moment as a cause of internal controversy.

The Shaping of Socialist Tactics. The day is past when Socialism can be studied exclusively from the pages of Karl Marx, or even from the volumes of the latest theorist. An introduction indeed may be gained in this way, but one must pursue the acquaintance by means of the daily

newspaper, both Socialist and capitalist, by means of speeches, conventions, and actual association with the working-class movement, or he will soon find that his Socialism or his anti-Socialism is of an obsolete brand.

The theory and the aims of Socialism have stood the test of sixty years and many nations with but slight changes; it is the tactics that are still in the making. These, as part of a great social phenomenon, must be shaped in the last analysis by economic forces, but in so far as the movement is a voluntary one every man or woman has a share in the process. The party member will use his vote and his influence for constructive methods on the one hand, or "revolutionary" on the other, and may throw his weight in the party councils toward emphasizing either direct or political action. The non-Socialist citizen, too, cannot evade his part in the work—whether by cooperating with Socialist reforms and maintaining fair play in industrial disputes he lends support to the advocates of constructive political action, or whether by nullifying the efforts of political Socialism and suppressing the labor weapons of picketing and boycott, he turns the proletarian movement toward the general strike and sabotage. If this book succeeds in bringing before the

reader his responsibility for the future of Socialist tactics, it will have fulfilled its purpose.

Suggested Reading

Socialist Party Convention Proceedings, 1912.

Walter Lippmann—A Preface to Politics.

John Graham Brooks—American Syndicalism.

John Spargo—Syndicalism, Industrial Unionism and Socialism.

Vincent St. John—The I. W. W., Its History, Structure and Methods.

Emile Pouget—Sabotage, with Introduction by Arturo Giovannitti.

Periodicals—The New York *Call, The International Socialist Review, The Party Builder.*

Topics for Reports and Discussions

The Milwaukee Administration; Syndicalism in England; The Political Strike; Study of a Recent American Strike; The Study of Socialism.

Can Industrial Unionism Be Developed Within the Old Organizations?

Is Sabotage Morally Defensible?

Could the General Strike on a National Scale Be Sustained by the Proletariat?

Ought a Socialist Municipality Strive for the Approval of the Business Element?

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