

of wealth. It does so in a variety of ways, of which we will only quote one as an example. The ignorance which poverty fosters prevents the bulk of the world's people (the labour-sellers) from appreciating, requiring, and insisting on, as they otherwise might and would, a system of free interchanges for the produce of their labour. This submission to, and complicity with, a great economic fallacy costs them dear. The hands, brains, and capital of a state are compelled by the Government to cease producing what they can produce cheaply and abundantly, and to work instead at what they can only produce expensively and sparingly; which destructive system is called the protective system. What is the consequence? Far less is produced than might be produced by the same expenditure of capital and labour, and there is less to distribute among the same number of human beings. It is the poor who suffer from this deficiency. It is they and not the wealthy whose rations are curtailed, when the supplies run short. Thus do poverty and ignorance, by their silence, support and virtually promote, the very system by which their own existence is prolonged.

In a similar manner the poverty-begotten ignorance of the people allows the war system to tear them from their families and occupations—from the plough and the loom—in order to convert them into unproductive and sometimes destructive consumers. Were the people enlightened, the war system, which not only wastes wealth but arrests its production, would soon come to be deemed, as the late practice of duelling is in England, absurd

and illogical. Thus do poverty, ignorance, and immorality act and re-act on each other. They form an unholy alliance to which they staunchly adhere, and one is rarely found isolated from the others. Instances are no doubt to be met with of wealthy ignorance, of learned poverty, and of criminal wisdom and opulence, but they occur only as exceptions, which tend to prove how general the rule is.

CHAPTER XIX.

Utilisation of Female Labour.—Competition; its Uses and Abuses.
—Communism.—Waste on Intoxicants and Narcotics.

WE have now gone through the list which we had sketched out at p. 14 of the chief aids and impediments to wealth-creation, and have endeavoured to trace their influence, favourable or adverse, on the progress of human welfare. But that list only professes to embrace the most prominent of those influences, for, indeed, their number is infinite. There hardly lives a civilised man whose overt deeds and spoken thoughts have not some bearing, infinitesimal though it may be, directly or indirectly, by action, example, or precept, for good or for evil, on the course of human events; and it is the sum total of these influences that finally determines the destinies of mankind. In free and comparatively enlightened communities, each individual exercises more—while under despotic governments each individual exercises less—of this

individual action on the common weal. No force, whether physical or moral, is ever exercised totally in vain. However minute and feeble it may be, it has done its work such as it is. Whether it has helped, or has impeded, it has contributed its mite to the general aggregate of forces, just as each single, separate drop has its place and plays its part in the mighty rush of the Niagara waters. Who can pretend to enumerate, or to gauge the relative strength of, the multitudinous causes by which human progress is accelerated or retarded? All that can be done is to take in hand and examine those of them which are most potent and universal in their operation. But in making a selection it is difficult to draw the line and to know where to stop. Hardly yielding in importance to the topics with which we have already dealt are a number of others, to a few of which, by way of sample, we shall briefly advert, leaving the rest as too secondary and too numerous to receive separate treatment in this work.

We shall therefore proceed to notice—

1. *The utilisation of female labour.* Every advance in scientific discovery tends to substitute the agency of nature's forces for human muscular exertion. In the earliest stages of his progress, man supplemented his own bodily strength by that of animals—horses, oxen, camels, &c. Subsequently, he to some extent emancipated himself from the necessity of using brute force by improved tools and mechanical appliances. And to-day, steam, electricity, and other natural forces supply most of the motive power requisite for

man's purposes. Hence human labour now involves less and less of mere physical exertion, and more and more of intellectual direction and dexterity of manipulation. This happy change opens a wide field for the utilisation of female labour. Over and above the discharge of those family and domestic duties which come within the special province of woman, a vast surplus remains to her of leisure, of capacity, and of desire for useful and remunerative work. There is no reason why that wasted leisure should not be employed—that latent capacity should not be developed—and that laudable desire should not be indulged, by the more general co-operation of our sister-women with their brother-men in the noble work of wealth-creation. There now exist fifty channels to one of old in which that co-operation is possible without the unseemly exercise of muscular strain. Indeed, there are many tasks in which woman's efficiency is equal, and some in which it is superior, to that of man.

From some of the tasks for which they are well fitted, women are at present debarred by sentimental conventionality as being undignified or unfeminine, or by the more real apprehension of contact with coarseness and vulgarity. But both these objections are gradually vanishing before the diffusion of knowledge, and the widening spread of education. Under the influence of general enlightenment, the innate dignity of all honest labour is being recognised, and workers are acquiring more self-respect and softness of manner. Year after year, we hope to welcome larger

accessions of female labourers to the ranks of our wealth-producers; so that all human faculties shall contribute according to their lights, to their opportunities, and to their powers, to that general stock out of which human needs are supplied. In this way, we shall not only secure to the world a more ample store of "such objects of human desire as are obtained or produced by human exertions," but we shall also secure for women a fresh career of usefulness and of independence.

Of course, some old-fashioned labour-seller of the male sex will here start up and object to an influx of female labour-sellers. "I want," he will say, "no interlopers in my trade. Wages are quite low enough, and if women are admitted to compete, not only wages will be lower, but some of us will be thrown out of work altogether." This is the old anti-competitive and anti-improvement cry. Every step in human progress has elicited it. The use of horses and oxen in ploughing displaced human labour, so did the use of tools and machinery, so did the introduction of steam-ships and railways, so does all division of labour, so do all engineering achievements and changes in the channels of trade, so would do the abolition of the war-system, so has done, is doing, and ever will do every scientific discovery, every improvement, and every advance which civilisation is making towards the greatest possible creation and dissemination of wealth. All progress involves some temporary displacement of labour and capital, but its permanent effect is increased production and consequently a larger fund for the employment and

payment of labour. In the present instance, the increased capital created through the work of women now unemployed, would enlarge the fund out of which labour is paid and stimulate the demand for that labour. That demand would not only speedily re-absorb any labour that might for a short time have been displaced by the innovation, but occasion a call for more. As we have before said and again repeat, the more of everything there is produced, the more there is for distribution among everybody.

2. *Competition; its uses and abuses.* From the nature and scope of the present work, our attention must be confined to the question of competition for wealth. It is only incidentally that some of our remarks may apply to competition for power, for rank, for fame, and generally for success in other fields for rivalry. We are here specially considering the influence of competition on the production of wealth. Let us briefly glance (*a*) at its uses, (*b*) at its cause and origin, and (*c*) at its abuses.

(*a*) Its uses are obvious to all. Competition stimulates human efforts, sharpens the human intellect, and develops man's inventive powers to their utmost. In those communities where it is keenest, the most rapid advance is made in material progress. It is a race in which the idle and incompetent are left behind. The struggle for success, which constitutes competition, is only an intense form of emulation, one of the most deep-seated feelings in man's nature. Under its influence, he exercises his utmost powers of performance and endurance, of skill and contrivance, of ingenuity

and industry. Every latent faculty is brought into play, and the effect is the maximum result which hands and brains can achieve. It is in this way that competition proves so powerful an agent of production and distribution: of production through agriculture and manufactures, of distribution through commerce.

(b) The origin of the active competition for wealth is readily traceable to the institution of private proprietorship—to the system of individualism in contradistinction to that of communism. When whatever a man earns becomes absolutely his own property, he has the strongest possible incentive to earn as much as he can. The very different results of indolence or of activity—of intelligence or of carelessness—come strongly home to him, and, in the general scramble for wealth, he will use all the arts which emulation and self-interest can suggest to secure as large a share as, by industry and inventiveness, he can for himself.

It is quite otherwise when, as under the communistic theory, the aggregate earnings of all are thrown into a common stock for common distribution, and when each man gets, whether he toil much or little, intelligently or stolidly, successfully or fruitlessly, the same quota out of that common fund. In such a state of things, competition and its stimulus to industry, inventiveness, and thrift, altogether vanish. There is no special reward for special exertions. Indeed, as the allotments are equal while the contributions vary, the reward proves to be in inverse ratio to the value of the contributions. An equal share from the common stock

to him who brings much to it and to him who brings little to it, is equivalent to a bonus to the latter, and it would require stoic virtue and stern self-denial in the former not to feel a sense of injustice. Indeed, under the communistic system here discussed, unless men repressed every selfish feeling and voluntarily sacrificed themselves for the benefit of others, in other words, unless men changed their nature, each member of the community might, and probably would imbibe, and act upon, the notion that by throwing more work on others and less on himself, he was individually a gainer. In that case, the competition would be, not who should produce the most, but who should work the least, and such negative competition would act as a deterrent, not a stimulus, to wealth-creation.

The communistic doctrine is thus summarised by Johann Jacoby, one of its ablest exponents, "Each for all—this is the duty of man. All for each—this is the right of man." But there exists this striking difference between the "duty" and the "right." The right is definite and compulsory, the duty is vague and voluntary. Each can exact the full measure of his right from all, but all cannot exact the full measure of his duty from each. The right is a certain, the duty an uncertain, quantity. That each man will take good care that he shares equally with the rest, we may be pretty sure; but that all men will exert their powers of production to their utmost when not each but all in common are to reap the benefit of those exertions, we feel just as sure will not be the case. Strong motives of personal necessity and direct self-interest can alone

overcome the natural love of ease and disinclination to effort which is inherent to man. In the case now before us, both would be absent. It is only under the system of private proprietorship that those motives can exist in their full vigour, and generate that active competition which furnishes so powerful a stimulus to the production of wealth.

All institutions and practices that tend to remove or avert competition tend in the same degree to slacken the work of wealth-creation. Thus it is notorious that monopolies conduct their operations more wastefully, are less progressive and inventive, and expend more labour and capital for the production of the same results than those enterprises which are exposed to the vivifying influence of competition. In a similar way, those industries which are sheltered by import duties from wholesome contact with foreign competition, become careless and sluggish, are content to feed upon the country which subsidises them, and are hopelessly undersold by their foreign unprotected rivals. An industry which, not being self-supporting, receives national support, creates less than it consumes. As we have before shown, it produces 100 coins worth of commodities at the cost of 140 coins worth of capital and labour, and the country pays the difference.

Thus far the advantages of competition stand out in strong relief. Let us now consider the evils to which it may lead, when carried to a vicious excess.

(c) The abuses of the competition for wealth consist in resorting to illegitimate or dishonest

practices in order to undersell or supplant rivals. These practices assume one of two forms, viz.—
1. Cheating. 2. Selling below cost. Let us briefly analyse both. Cheating, in regard to the sale of goods, includes the adulteration of commodities, falsification of weights and measures, deceptive statements, and other forms of dishonesty which may be summed up as the fraudulent obtainment of a customer's money under false pretences. Now, beside the fact that many of these frauds and impostures are punishable, and frequently punished, by the law, it is equally a fact that, in the long run, the unfair competition that assumes this form is only successful for a short time. The frauds are detected, the rogues are unmasked, and the trade goes back to the honest trader. The great bulk of the world's commercial dealings rests on the basis of mutual confidence, and that confidence, once forfeited, is rarely restored.

As to selling below cost for the purpose of supplanting a competitor, it is a shifty, spiteful, and short-sighted policy, entailing certain immediate loss, and, if persevered in, eventual ruin on those who adopt it. If, after a time, and for a time, a rival is ousted from the field, it is rare that the loss incurred is recouped, and the triumph, like that of Pyrrhus, has cost more than it is worth. Meantime the consumers have benefited by the folly, and have enjoyed the advantage of buying below the cost of production. Let us not, however, be surprised at the occasional adoption of this suicidal policy by private persons; since the wisdom of nations has, through bounties on exports, &c.

frequently committed the same error. National bounties on a given article enable its producer, at the expense of his country, to sell it to foreigners below cost, and thus to undersell competitors. These bounties, therefore, possess this peculiarity—that the better they succeed in effecting their object the greater is the national loss which they entail, and, consequently, the better they work the worse is the result to the community!

We thus see that the abuses to which competition is liable are exceptional and transitory, and that they only arise from its being carried to excess. Even virtues become faults when strained beyond a certain point. And, on the whole, we may conclude that competition, by the impulse it gives to cheap and rapid production, and to the distributive operations of commerce, powerfully promotes the creation of wealth.

3. *Waste of labour and capital on the production and consumption of intoxicants and narcotics.* It would be a most useful and suggestive, were it a possible, task to assess the amount injuriously wasted every year, throughout the world, in the production and consumption of alcoholic drinks, opium, bhang, and other intoxicating and narcotic preparations. The inquirer would have to estimate—1. The capital and labour diverted from other objects, in order to be devoted to their production and elaboration. 2. The extent of fertile land occupied in raising the plants from which they are extracted. 3. Their debilitating effects on the health and vigour, and, 4. Their demoralising effects on the minds, of those who consume them.

Real and great evils all, but difficult to assess. Confining ourselves, as we must do here, to the economic aspects of the subject, it would be very interesting to ascertain approximatively how much wealth is annually squandered that might be saved, and how much wealth that might be created is annually barred and prevented, by the causes above enumerated. It is not in our power to frame an estimate, nor dare we even propound a guess. But, after making due allowance for the moderate quantities of stimulants and narcotics of which the use might be proper and justifiable, the abstraction from the world's wealth by this diversion of labour and capital from useful to noxious productions, must be equivalent to the abstraction of food, raiment, and shelter from hundreds of thousands of families to whose wants that capital and labour might otherwise have ministered.

How can it be possible for destitution not to exist, when a vast amount of wealth is thus uselessly and wickedly sacrificed? How can there be enough of the comforts of life for all, while so large a portion of what is produced is—whether through the feverish delirium that gives a fatal charm to alcohol and opium—or through the destructiveness of the war system—or through the interdiction of free commercial intercourse and of the division of labour—or through other pernicious practices—wantonly destroyed, and the agents of production themselves diverted to mischievous objects? From all these errors and wrongs, it is the lowly, the weak, the ignorant, and the oppressed who chiefly suffer; and to redress the former would be to

redeem the latter from their physical and moral prostration. There would be plenty for all if men so willed it, but, as it is, a large portion of that plenty is intercepted from the stomachs and backs of the many by intemperance as well as by the still more potent adverse influences to which we have, throughout this work, adverted.

All honour is due to those conscientious men and women who are zealously, even if sometimes intemperately, advocating the cause of temperance. But we fear that neither moral suasion nor forcible repression are competent to radically cure the evil with which they try to cope. Moralists and legislators have vainly undertaken its extirpation, but its sources lie deeper than they can reach. It is not innate viciousness that leads to the habit of intemperance, or renders it inveterate. It is the habit that leads to the vice, and our inquiry must therefore be, what are the causes which engender the habit, and how are those causes to be eliminated? Of these causes, by far the most potent and universal are poverty and ignorance. Some generations ago, habits of intoxication, begotten of barbarism, tradition, and routine, prevailed among the wealthier classes of many European countries. But with the spread of knowledge, art, and refinement, a sweeping reform has taken place. In instances among the wealthier classes of that degrading vice do still recur, they are viewed with disgust, and form dishonourable exceptions to the general rule.

A similar improvement is perceptible among the respectable artisans and labour-sellers, and the

scandal of overt and habitual drunkenness is now mainly confined to the poorest of the poor and the lowest of the low. It is most prevalent among the hopelessly poor, or among those of the easier classes who had contracted the habit when they were poor, or among the ignorant who are shut out from purifying and elevating influences, or among the destitute, the criminal, and the desperate. These are unhappily the fated victims of a vicious circle. Poverty and ignorance populate the gin-shop, and the gin-shop perpetuates poverty and ignorance. How is the charm to be broken? Strong are the temptations, seductive the pleas, and specious the excuses by which abject poverty is beguiled into intemperance. It offers a brief substitution of mental elevation for mental depression, of lethargy for physical pain, of indifference for hopelessness, of stupor for remorse, of oblivion for despair! Is it then every man who, intensely suffering, can stoically put away from his lips the cup that offers relief, however transient? If we sternly demand the exercise of such self-control from our poor, weak, and afflicted brethren, what then shall we say to those who, rich, strong, and hearty, plunge into the vice out of sheer brute sensuality?

Let us, then, apply ourselves vigorously to the task of drying up the main source and fount of intemperance, which is hopeless poverty. We must work deep, not merely on the surface. A morass must be tapped from the bottom, not from the top. With the removal of hopeless poverty, the vice of drunkenness will gradually disappear, except per-

haps among a small minority that may prove irreclaimable. And it is the object of this work to show how, if man but wills it, poverty may be removed by promoting all the aids, and sweeping away all the impediments, to the creation and distribution of wealth.

CHAPTER XX.

"Gluts" of Commodities and Labour—National Antipathies.—
Tendencies towards Confederation.

4. *Gluts, whether of commodities or of labour.* And first, with respect to commodities. A "glut of commodities" is an over-supply of one or more commodities, as compared with the demand for them. It is corrected or remedied by a diminution or temporary cessation of its (or their) production until the superfluous quantity has found a vent, and until the demand and supply have re-adjusted themselves. As to a general glut of all commodities, that, as we have shown elsewhere, is totally impossible. As long as industry is employed on the production of every desirable object in the same proportion as this desirability creates a demand for it, there can be no "glut," and the more rapidly universal production progresses in the proper relative quantities, the greater will be, without hitch or exception, the addition to the world's wealth. Each article produced would find its

counter-value in some other, and all would be absorbed by mutual interchanges.

Many causes, however, tend to disturb the natural equilibrium of supply and demand. Over-supply does not so often arise from the too rapid production of some articles, as it does from the diminished production of others. Indeed, it is by the short supply of some articles while the supply of the rest remains unaltered, that the relative or exchangeable values of various commodities are most frequently and most violently disturbed. Those industries in which capital and labour produce normal and steady results are affected by the variable results of those which are fitful and fluctuating. Over-supply is speedily ascertained and soon checked; but under-supply, while often traceable to human agency, is not infrequently the effect of influences beyond human control. Deficient harvests, whether of cereals or of other products of the soil, are powerful disturbing causes, and are mainly due to climatic causes. Shortness of supply in this large class of commodities is equivalent to, and produces the same effect as, an overplus or "glut" in other classes of commodities, of which the production had not varied in quantity. Five successive bad harvests in Western Europe (from 1877 to 1881) largely diminished the purchasing power of the agricultural classes, so that the commodities of which they were habitual consumers were found to be in over-supply, although there had been no over-production, and there ensued a wide-spread depression in trade.

To the same category of more or less unpre-

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