

Very true. But neither can the ten hours' toiler be called a producer in the same sense as is the contributor of that essential element of production, land. What each contributes is different of its kind, but both are indispensable, and neither would be of use without the other. No one is under obligation to furnish both elements. The labourer is not bound to contribute land; neither is the land-owner bound to contribute labour. The soil must (unless we revert to a state of Nature, which is savagery) be owned by somebody; and that somebody, whoever it may be, whether a person or a community, is through its cultivation, whether directly or by lessees, a contributor of one of the three indispensable factors of all wealth. Of course such land as is not devoted to productive purposes comes under a different category. Its owner does not contribute to the creation of wealth, and is therefore not a producer. We shall deal with this exceptional case in a subsequent chapter when we come to treat of the peculiar position of land in regard to its limited supply and its irremovability.

On the other hand, the same persons who complain that the contributor of land does not contribute labour also, are those who frequently complain that the capitalist goes on working long after he has accumulated a fortune, and who say that he should retire and leave the field which has enriched him open to others. Between these two complaints there is a manifest inconsistency. If the land-owner ought to contribute both land and labour, so ought the capitalist to contribute both capital and labour. The truth is that such double

contribution is entirely optional. Its practice would, of course, subserve the interests of wealth-creation, but there is no obligation on any one either to act upon it or to abstain from it.

CHAPTER VII.

Government Functionaries—The Professional Classes—The Unemployed Poor.

2. *Those who govern, and the functionaries whom they employ.*—It is this class which furnishes by far the most numerous contingent of unproductive consumers, and in which the largest reforms are both necessary and possible. Let us at once start with the following proposition, viz. :—That all those persons whose services are requisite for the due performance of those functions—legislative or executive, civil or military—through which the government of a community discharges the complex duty assigned to it of protecting the person and property of its members, are indispensable to the well-being of society, and cannot be spared from the important work to which they are appointed. It is only to those whose services are not requisite for the performance of such functions rightly understood, and who nevertheless are retained and paid by the state, that the designation of "unproductive consumers" is applicable.

Of these, some have no doubt been appointed to their useless tasks by patronage or routine, but

by far the greatest number consists of those whose barren labours are put in requisition by bad laws, mistaken policy, vicious institutions, or the passions and caprices of irresponsible rulers. It is not with the persons so employed that the blame lies. Their duty is to do the work entrusted to them, and the faithful performance of that duty generally forms a fair equivalent for what they receive from the community. It is the system that is responsible for the waste, and it is the rulers and statesmen who are responsible for the system. Let us examine the main features of the system.

In all existing civilised states the money collected by the government, as revenue from all sources, is expended in various proportions, on the following departments, viz. :—

General expenses of Civil Government, collection of revenue, public works, salaries, pensions, &c.

Administration of Law and Justice.

Subventions for Education, Science, and Art.

Interest on (and repayment of?) National Debt.

Army and Navy.

Whatever portion of the expenditure under these heads is in excess of what is needful is clearly an unnecessary and injurious drain on the resources of the country, and a direct impediment to wealth-creation. The persons who would otherwise be effective agents of production are wasting their energies and their time on inutilities or worse, and have meanwhile to be supported out of the earnings of the producing classes. It is, of course, in those departments which absorb the largest share of the

national expenditure that the waste (supposing it to exist) would be the greatest, and the retrenchment (supposing it possible) would be the most efficient. It will be very useful, therefore, to ascertain which are the departments which are most costly, and to which the tax-payer most profusely contributes.

No doubt the proportions differ in different countries, especially if the United States of America be included among them. The geographical position, the form of government, and the habits and traditions of that republic constitute it a somewhat exceptional case. But if we take European states only, the comparative amounts paid under each head by the British Government during the year 1880 may afford us some clew to the proportions respectively absorbed in other countries by the various departments in question. The total expenditure of the British Government in 1880 was £84,439,000, which was apportioned as follows :—

To the general expenses of the Civil Government ...	£14,637,000
To the administration of Law and Justice	6,372,000
To Educational purposes ...	3,995,000
To the interest, &c., of the National Debt	28,763,000
To the Army and Navy ...	30,672,000
	<hr/>
Total	£84,439,000

Here then we have in round figures, out of our annual expenditure of 84 millions, no less than 59 millions consumed in expenses connected with war,

viz., 29 millions to pay interest, &c., on the national debt contracted by our forefathers to carry on the wars of their time, and 30 millions to meet the expenses of military and naval establishments during a period of peace. The possible distention of these sums in case of a serious war may be more easily imagined than calculated.

In contrast to these gigantic amounts, we find that all the other departments of government combined, although profusely paid, cost 25 millions—a sum which, in comparison, seems a “fleabite.” Roughly speaking, we may say that of England’s annual expenditure more than one-third is spent in paying the penalty of former wars, more than one-third is spent in keeping up warlike establishments during peace, and less than one-third is spent on all the combined functions of government in every other department. Not that we are worse off in this respect than most other European states, for some have indeed a more grievous military burden to bear than we have. However, as we shall in a subsequent chapter devote some attention and some space to a consideration of the pernicious influence of war and international rivalries on the creation of wealth, we shall here abstain from further comments on this branch of the subject.

Reserving, therefore, war and its organs, the army and navy, for future discussion, let us take a glance at the other departments of government. The expenditure in England on these, including the administration of justice and educational purposes, amounts, within a trifle, to £25,000,000, nearly all of which is paid away in salaries to the various

functionaries who are (and in some cases who have been) employed in the performance of public duties. It has been calculated that the number of persons in the pay of the English Government, exclusive of the army and navy, is not far from 180,000. Neither does this include the numerous staff paid out of the proceeds of local taxation (county, borough, and parochial rates, &c.), which in 1878-9 amounted to about £30,000,000. Now, if out of the 180,000 functionaries, high and low, above referred to, a certain number should have been superfluous and others overpaid, that waste, be it more or be it less, is so much positive loss to the community.

In these elucidations we have taken the case of the English Government simply by way of illustration, for as our theme is wealth-creation not in one country but in all countries, so should our conclusion be a general and not a special one. We must, therefore, word it thus, that if out of the civil functionaries, high and low, in the pay of all governments, a certain number should be superfluous, and others overpaid, that waste is so much positive loss, and a subtraction to that extent from the world’s wealth. There is hardly a country in the world of which it can be truly said that there is no such superfluity or overpayment of public functionaries. In some there is less, in others more, but it must be admitted that in all there is a wide field for retrenchment. We readily grant that the retrenchment may be carried too far, and that it is a great mistake in a state to underpay, or irregularly pay, its servants. But this extreme, which is compara-

tively rare, is no justification of the opposite extreme, which is common.

In what way and to what extent the necessary retrenchment is to be effected it is not within the scope of this work to inquire. Our business is to point out how injuriously such waste of public money affects the creation and distribution of wealth and, thereby, the welfare of all men. It is for the practical politician to recognise the evil and apply the remedy. If out of the total number of persons now employed in the civil functions of the state (for we have reserved the army and navy for a separate discussion) by the whole of the civilised governments of the world, it should be found that 400,000 could be spared without detriment to the efficiency of administrative operations, then those 400,000 persons, being released (of course on equitable terms) from their useless labours, would be thrown on their own resources—would be compelled to produce in order to live—and would cease to be unproductive consumers. Now if, one with the other, we estimate the value of what they would each produce at an average of only £50 per annum, there would be £20,000,000 yearly added to the general stock of wealth of the world, besides saving what they now receive in excess of that yearly sum for superfluous and barren work.

True that there may be no immediate prospect of so beneficial a reform being accomplished, but we shall certainly hasten the time when the world shall enact its practical adoption, by a forcible exposition of its necessity, by emphatically de-

nouncing the evils that it would remove, and by persistently keeping the subject open to public discussion, until its advantages be generally recognised and appreciated. Too often, in the history of the world, has the apparent remoteness of a desirable object been used as a dissuasive from even moving in its direction. Its being difficult of attainment has been construed into its being unattainable. The word "impossible" has been most obstructive to human progress. Many a laudable purpose, quite achievable, as subsequent achievement has shown, has been long delayed by being pooh-pooed as not being "within the bounds of the possible." The policy for the advocates of a rejected improvement to pursue is never to lose sight of it themselves, never to allow others to lose sight of it, and, above all, never to despair of it.

3. *Those who are engaged in the learned and other professions.*—A very numerous and important class, which we may subdivide into two categories:—

(a) Those who do not, by direct means, produce wealth, but who are indispensable by reason of the moral and physical shortcomings of man. To this category belong—the clerical profession, whose province it is to combat our vices and passions; the legal, to obviate fraud and repress injustice; the medical, to heal our infirmities; the political, to administer the affairs of the community; the military, to protect the state against attack; the scientific, to correct error and search for truth; the scholastic, to remove ignorance, &c.

(b) Those whose mission it is, either to cultivate literature and philosophy, or to minister to the art-culture, the refinement, and the recreative enjoyments of the community. This last division includes poets and prose-writers of all kinds, journalists, lecturers, &c., as also painters, sculptors, architects, musicians, actors, &c.

It is the professions comprised in the above two categories that have furnished most of the eminent men, whether as thinkers or doers, of all countries and in all ages. As a rule, these professions require for their successful pursuit great natural abilities, developed by close study and reflection. Those who excel in them become the foremost of men, and almost all the illustrious benefactors of mankind have sprung from their ranks. Undoubtedly, of the many who have enlisted in these professions, there are not a few who are more or less unfit for the vocation, and who would be much more useful to their fellow-men (and in most cases to themselves) by becoming producers, and contributing according to their powers to wealth-creation.

But no interference with the free choice of a career is permissible, and the natural law of supply and demand must continue to regulate the number of those to whom the professions can afford a livelihood. Unfortunately, the dignity of productive and distributive labour has not yet received due recognition. A prejudice, which had its birth in the rough feudal ages, still exists, though happily waning, which assigns to the professional a higher social rank than to the mercantile and manufacturing classes. The former are supposed

to be, in vulgar parlance, "more genteel." This feeling is, no doubt, in some measure founded on the fact that education is more general, because a necessity, with the former, and less general, because only optional, with the latter. But this distinction is also disappearing, and the diffusion of knowledge, which will gradually extend to all classes, will equalise their claims to social rank. As it now is, almost every profession is overstocked. There are more to do the work than the work to be done requires; while a sentimental preference foolishly induces many a man to starve on a profession rather than thrive on a trade.

This false estimate of personal dignity chiefly prevails in old countries, and hardly exists among young communities. In the United States of America there is far more real equality than in the present French Republic, although "Égalité" figures as its central motto. Many an English gentleman, who at home would have shrunk from manual labour as a degradation, has emigrated to Australia, and worked as hard there as any common labourer here, and the more honour to him. Let us hope that this healthy tone as to the equal dignity of all honest labour may, sooner or later, pervade all civilised societies, and finally break down the barriers which now partition off European communities into distinct sections very analogous to the castes of the Hindoo nations.

4. *Those who are unemployed, or who have no legitimate means of earning a livelihood.*—All those persons to whom this description applies are unproductive consumers, and every effort should be

made to reduce their number to the lowest possible point, for their existence is, for the most part, an unmitigated evil to the community. They are, however, divisible into two very distinct groups, viz.: (a) Labour-sellers temporarily out of work, who have saved nothing to live upon meanwhile; (b) Non-workers, viz., paupers, mendicants, tramps, &c., and criminals, both those who are at large, and those who are in custody.

(a) As to the first group: labour-sellers are out of work either because they cannot find any employment at all, or because they cannot find it on terms which they deem acceptable. The former are the victims of "gluts" (see p. 7), of changes in the channels of trade, or of other causes beyond their control. The latter are the outcome of trade disputes, leading to "strikes" and "lock-outs." In the former case the causes are largely (not wholly) preventible by free commercial intercourse, and by non-interference with the natural course of trade. In the latter case, trade disputes should be, and it is beginning to be understood that they can be, arranged by arbitration, or by sliding wage-scales graduated according to the rates of profit, or by other similar pacific devices. Almost anything is preferable to the clumsy and costly brute-force system now in use of workmen trying to coerce the capitalists by ceasing to work, or of employers trying to coerce the workmen by ceasing to employ. Under it both parties are heavy losers, the victors as well as the vanquished. It decides nothing as to the relative justice of the conflicting claims; it only adjudges which side is the strongest.

It simply becomes a trial as to which can afford to lose most money, and which can face impending ruin with the wildest recklessness. So might two men defy each other as to which would allow their blood to flow for the longest time from a vein opened in the arm of each. One might give way before the other, but both would be terribly exhausted and enfeebled.

In such contests between capital and labour it is generally the longest purse that wins, and, accordingly, they have mostly terminated in favour of the employers. A barren victory truly! Just by one small degree better than a defeat! In this species of civil war there is not only the loss of the wealth which would have been created by the labour of the men had they been at work; there is also the loss occasioned by the disuse of the capital, plant, and machinery of the employers—the loss occasioned by the non-execution of orders, and by turning away customers to deal elsewhere, and sometimes even the permanent loss to the district of the entire trade, which gets diverted to other localities. By all this the labour-sellers are the chief sufferers, because every diminution of capital is a diminution of the fund out of which the wages of labour are paid.

But while the wealth-destroying effects of "strikes" and "lock-outs" are undeniable, it is none the less true that properly constituted trades-unions are essential to the interests of the working-classes. Without such organisations there could be neither consultation nor concerted action between them, and the fluctuations of the wage-rate

in the chief labour-markets of the world, which it is most important for the labour-seller to trace, would hardly ever be known to him. The commodity in which he deals, labour, rises and falls in value like every other commodity, and he, the seller of it, should be able to watch and scrutinise the action of the buyer of it (the employer), or otherwise the fall in wages when trade was bad would be rapid and exaggerated, and the rise when trade was good would be tardy and insufficient. Trades-unions afford him the necessary knowledge and power to obviate this; and he will be the more ready in bad times to submit to a fair decline, when he is assured that he will obtain a fair rise in good times. Moreover trades-unions often afford great facilities for negotiation, in virtue of their representative character, which ensures to any agreement made the adhesion of the general body of men represented.

But these considerations by no means invalidate our contention that strikes and lock-outs, from their adverse interference with wealth-creation, constitute a form of war that is equally injurious to both sides, and that it would be a disgrace to the human intellect to assume that such a conflict were the only and the inevitable solution to trade disputes. The avoidance of this irrational mode of ascertaining which is right and which is wrong, when differences arise between masters and men, would prevent those large occasional additions to the number of the unemployed which help to create a "superfluity of unproductive consumers."

We may here observe in reference to trades-unions that all such of their regulations as tend

to restrict or diminish production are suicidal and most injurious to the labour-sellers themselves, by restricting and diminishing the fund out of which labour is paid. We allude to regulations tending to reduce the productive powers of the more industrious or skilful to the level of the inferior productive powers of the less industrious or skilful—to interpose obstacles to the adaptation of labour to novel combinations or inventions adopted by the employers, and generally to impair the efficiency of labour in producing the largest results in a given time. It should be remembered that the less of capital there is created the less of labour there is employed.

(b) We now come to the second group of unproductive consumers, consisting chiefly of those who, from various causes, are unable, or who, from perversity, are unwilling, to work for their livelihood; in other words, of paupers or criminals. Among the paupers there are many able-bodied men who are not prevented from working by infirmity, but decline to work from deliberate choice. Some do indeed indulge in fitful and intermittent spurts of industry, but the greater number are sunk into irredeemable sloth and intemperance, and all of them are consuming non-workers. This description applies also to a large proportion of the mendicants and tramps who infest the community, and these are unfortunately encouraged and maintained by the pernicious practice of indiscriminate alms-giving on the part of well-meaning but, in reality, evil-doing persons.

Let us hasten to say, however, that, in propor-

tion to the discouragement which should be given to the drones and parasites which prey on society, in that proportion should abound the sympathy and tenderness due by the community to those persons who, from infirmity, either mental or bodily, whether natural or accidental, are really unable to contribute their quota to the general stock. These are entitled to receive, without stint and without reproach, their fair portion of the honey stored in the social hive. They are those members of the human family who, through the shortcomings of nature or the sudden wrench of an accident, form the wounded and maimed in the battle of life, and, as such, become lawful pensioners on the resources of the rest. These are the "neighbours" whom we are taught to "love as ourselves." It is not to such that our strictures apply. On the contrary, we not only recognise their claims on their brother-men, but insist that these claims should be met in a hearty and ungrudging spirit. It is more than the bestowal of a favour—it is the fulfilment of a duty. A churlish gift is of diminished value to the receiver and of no merit to the giver.

There is no country which is not more or less burdened with both classes of unproductive consumers—the pauper class and the criminal class. Legal and coercive repression checks, but is far from eradicating the evil. It lops the branches, but does not touch the roots of the upas tree. The existence of the evil is traceable partly to the pressure of temptation from hopeless poverty, and to the sway of passions uncontrolled at the first and uncontrollable in the end, but, in greater pro-

portion, to habits of evil and vice contracted in early youth and strengthened by evil and vicious associations in after-life. In other words, the mischief is mainly due to the early influence of evil example and evil precept, for which wise and good men are striving, by means of education, to substitute other influences that shall develop the good and curb the bad impulses of man's nature. In this they have already succeeded to some extent, and as they more and more succeed so shall the number of those who eat bread which they might, but do not, earn, or who, worse still, pillage the earnings of others, gradually dwindle down to the lowest point which human imperfection will allow. A consummation devoutly to be wished.

Thus we have taken a review of the four classes into which all civilised communities may be divided, in relation to the superfluity of unproductive consumers which exist in each. Omitting the consideration of wars and international rivalries of which we shall next proceed to treat, we find that there are in all civilised communities a great number of persons who are doing no work at all, others who are doing useless and barren work, and some even who are doing evil work, and that all these are being supported at the expense of those who are doing productive work. We also find that such a state of things is by no means the necessary result of man's natural condition or inevitable destiny, but is quite remediable by the spread of knowledge and by practicable improvements in human institutions. It is useful to take stock of the obstacles that impede our progress, and en-

couraging to find that they are by no means insuperable. It therefore behoves all men to lend a hand in the good work of overcoming them.

CHAPTER VIII.

Wars and International Rivalries—Various Modes in which War is Injurious—Annual Expenditure on Armaments in time of Peace—Vast Number of Unproductive Consumers.

B 3. WARS AND INTERNATIONAL RIVALRIES.—Every one freely admits the destructiveness, the irrationality, and the wickedness of war; but it is at the same time taken for granted that man is so constituted that war is a condition inseparable from his existence, whether in a state of barbarism or of civilisation. In other words, war is put forth as a deplorable but necessary evil. We readily admit the deplorableness of the evil, but we deny the necessity of its existence. Let us briefly glance at both aspects of the question, and inquire:—(A) As to the extent of the evil; and (B) As to its necessity. If we find the evil to be great and the necessity for it to be small, we shall at least know in what direction and with what hopes we may steer our course.

A. The extent of the evil. The calamities of war form one of the most hackneyed of themes; and every epithet of revilement has been heaped on the system, with but few attempts at practical reform. There is no man who does not shake his head in condemnation of the wickedness of war, and hardly one who does not at the same time

shrug his shoulders to signify his sad acquiescence in its necessity. But while the world is almost unanimous in professing a general, sweeping, and speculative detestation and depreciation of war, few people have closely analysed the subject, or carefully considered: (a) the variety of modes in which it injures mankind; (b) the constantly growing increase of the evil; and (c) the tendency of the modern military system in Europe to more and more extend the baneful effects of war over the period of peace. We shall call attention to each of these topics; for a vague impression prevails that the evils of war mainly resolve themselves into the loss of life and the extra expenditure of money caused by actual hostilities. But it is not so. They inflict other fatal injuries, less intense perhaps individually, but far more wide-spread and permanent, and consequently more pernicious to mankind.

(a) The variety of modes in which war is injurious. These may be classed under three heads, viz.:—1. Destruction of life and property. 2. Conversion of productive labourers into unproductive or destructive consumers. 3. Diversion of capital to unproductive or destructive purposes. On the first head, destruction of life and property, we need say very little, for of all the branches of the subject, this is the most obvious and trite. It is the favourite theme of poets and moralists, and it needs no effort on our part to convince our readers that bloodshed and devastation are atrocious crimes as well as unmitigated evils, unless justified by the sternest necessity. We will therefore pass on to the second head, which has