A FREE-TRADER'S VIEW OF THE LABOUR QUESTION.

I. WHAT a blessing it must be to have a clear head, unclouded by any Socialist nonsense! Have I been for the last seven or eight years looking with increasing attention at the progress of the production of wealth? Questions of trade have never before been so prominent, and as such, all that is to be changed now, for a thinker has come forward in the person of Mr. Edith Atkinson, of Boston, U.S.A., and (thanks to an article of his in the 'Boston Evening Transcript') has really made the point that there is no real ground for any labour difficulty, being merely a question of comparisons to be solved by measuring two or three straight lines drawn parallel, as if typical of how they will never be able to compare with the one longer line that the capitalists get from the proceeds of a business, and one little short one for the profit of the capitalists, with a few others to make it look pretty and even businesslike. All that you have to do is to measure and compare the lines with, and having done that the result will be the answer required, namely, that "the present division of profits between labour and capital is just." Q.E.D., and so we need not trouble ourselves further about it. What could be more simple! Truly Mr. Atkinson deserves to be boss of the Hub of the Universe for this discovery! If only he would settle religious questions in the same way, how many poor souls might be saved from eternal perdition.

Nevertheless, I can't all at once clear the Socialist cobwebs out of my brain, and should like to trace two or three of the most important radio that seem to me to run across these beautiful paragraphs from Boston, like trees across a railway. I must first, however, give a few more details about Mr. Atkinson's argument.

The whole case is founded on an imaginary example, chosen probably for ease of calculation. Mr. Atkinson assumes three capitalists owning a cotton-mill built at a cost of 1,000,000 dols. They would employ 900 hands, who would produce in a year 17,500,000 dols. of cotton cloth for 4,000,000 dols. A diagram drawn out to scale, shows how this sum is divided. I will take the three most important items, viz., 575,000 dols. paid for raw material, 285,000 dols. for mill-labour, and 60,000 dols. for the final profit of the three capitalists. Mr. Atkinson has then drawn diagrams with descriptive letter-press deal respectively with the other expenses, the "spending of the profits," and with what is "consumed and saved" by capitalists and labourers. It is with the first, however, that we have most to do.

To begin with: to my prejudiced Socialist judgment a doubt occurs whether this 60,000 dols. can accurately represent the share of the workers which the capitalists would receive. For this amounts (as is pointed out to us) to 6 per cent. on the cost of the mill, and Mr. Atkinson's case therefore involves that the three capitalists will invest needlessly large sums in raw material, cloth, and machinery, that is, we do not require any interest on it—a thing quite against the nature of capitalists to do. Wherefore I think it just possible that the whole thing is founded on a false hypothesis. However, not being in the cotton trade myself, I do not in the least believe that the supposed case is a true example of facts as far as cotton-spinning is concerned. But if so, I must demur to its being taken as an example of "the present division of profits between labour and capital." Mr. Atkinson's chart is based on the total of 1,100,000 dols. proceeding from the business, which is by no means the average percentage of proceeds which is taken by the exploiters of labour. For instance, Mr. Atkinson's second diagram shows that the total profit made by the competing classes out of the manufacture of 17,500,000 dols. of cotton is, for farmers, merchants, mill-owners, and all, 145,000 dols. out of the 1,100,000 dols., or 12.5 per cent.; whilst we have only to turn to the accounts of English railways to find indices of 30 per cent. of the gross receipts. Five and a-half per cent. is therefore far below the average share taken by the capitalists.

Not that I mean to admit that the capitalists have the least right to even 5j. or any percentage whatever of the proceeds, merely as interest on capital. It is plain that the shares of the capitalists and labourers consist of the value added to the raw material in the mill. To take an example, when necessary labour was necessary, and if any one likes to amuse himself guessing how much is due to capital and how much to labour, I don't much object, provided he does not make a distinction between what is "consumed and saved" by the capitalist, as Mr. Atkinson has done. For I beg to submit that capital and capitalists are not synonymous, and that when it is said that such and such a share of the proceeds of business should go to capital, it is only the wages of the capital, rather than that the capitalist, as he is said to be the owner of the capital. In the first place I should question his means of acquiring the capital, and his right to retransmit capital as he has done; and if he has done it, I ask what part the capitalist took in producing the proceeds of which he claims a share, though it was other men's labour which called forth the use of his capital. If he managed the business, he deserves wages for what necessary or useful work he has done in that capacity; but it is not necessary to suppose that a capitalist takes any share in production, for though we cannot have labour without a labourer, we can (and will) have capital without a capitalist.

Again, Mr. Atkinson's black lines make it look as if the three mill-owners were very moderate in their demands, and the labourers in the mill had the best of the bargain; 285,000 dols. amongst 950 workmen is 300 dols. (about £60) each. But 60,000 dols. amongst three capitalists is £20,000 each, or £4,000 in all. Considering that the whole of the extra value (60,000 dols. included) was added by the labourers, and that the only part the capitalists took in the production was the use of the capital, and the scarcity that might be improved and still further simplified by eliminating altogether the share of the proceeds which the capitalist claims, since he, being useless, should receive no share of the gain.

It is probable that in opposition to this, Mr. Atkinson would argue that even if what I have said is true, the 60,000 dols. divided between 950 men would only give them a paltry 62 dols. (or about £12) extra each. But I should be careful to say that the gain is not due merely by the use of the capital, but that the capitalist has a claim. Clearly the 60,000 dols. belongs to the labourers who produced it just as much as would it do if there were no capitalists to levy taxes on the use of the capital. More over, if the gain might be improved and still further simplified by eliminating altogether the share of the proceeds which the capitalist claims, since he, being useless, should receive no share of the gain.

To be concluded.

GEORGE STUART.

THE NORTH OF ENGLAND SOCIALIST FEDERATION.

We have received the following Principles and Programme of the North of England Socialist Federation:

PRINCIPLES.

The North of England Socialist Federation has been formed to educate and organise the people to achieve the economic emancipation of labour.

While fully sympathising with and helping every effort of the wage-workers' and labourers' movement, the Federation aims at abolishing the Capitalist and Landlord class and forming the workers of society into a Co-Operative Commonwealth.

And employing the principle of monopoly in buying and making wealth, and a wage-earning class compelled to work primarily for the profit of these employers, is a system of tyranny and slavery.

The Federation stands against these two classes who cause competition—or employment amongst the workers—and for markets amongst the capitalists. This gives rise to class hatred and class strife, and destroys real independence, liberty, and happiness.

The present system gives ease and luxury to the idlers, avarice and poverty to the workers, and degradation to all; it is essentially unjust and should be abolished.

Our aim is to bring about a Socialist System which will give healthy and active labour to every poor man, woman and child, and make each and every one of them the owner of property, and the fullest freedom to all.

All are invited to help the Socialist Federation in this great cause. Adherents shall acknowledge truth, justice, and morality as the basis of their conduct towards each other and towards all men. They shall also not obstruct in any way the work of the workers.

Programme.

The Socialist Federation seeks to gain its ends by working on the following lines:

1. Forming and helping other Socialist bodies to form a National and International Socialist Labour Federation.

2. Striving to conquer political power by promoting the election of Socialists to Parliament, Local governments, School Boards, and other administrative bodies.

3. Helping Trade Unions, Co-operation, and every genuine movement for the good of the workers.

4. Promoting a scheme for the National and International Federation of Labour.

All Socialists will wish the new society success; to which wishes I must add for my part the hope that my friends will find out the fertility of the ground for Socialistic ideas already sown in the minds of the working people before they have learned it by long and bitter experience. They will find their work cut out for them in carrying out Nos. 3 and 4 of their programme, and in the enthusiastic and active way in which in one small city I heartily congratulate them on not holding out the bait of a long string of "stepping-stones": measures which no bourgeois Parliament would pass, and which yet would be out of date in the very first days of a new revolution; promises not capable of fulfillment, nor worthy of the demands of the people.

W. M.

Socialism proposes scientific, intelligent, enlightened government, or free co-operation of the workers on the basis of liberty, safety, and well-being.

Socialism would perfect the educational system by entirely abolishing the present lack of system. The State would educate every child thoroughly and, as they advanced, give them an opportunity to master any science, art, or mechanical pursuit for which their tastes or abilities adapted them. Hence there would be no means of affording a pursuit, or employment, which would suit each in which he would be most likely to excel. Hence there would be very few bad mechanics, unskilled workers, or quacks at anything.