

## VIII

### THE ABSURD EFFORT TO MAKE THE WORLD OVER

[ 1894 ]

**I**T will not probably be denied that the burden of proof is on those who affirm that our social condition is utterly diseased and in need of radical regeneration. My task at present, therefore, is entirely negative and critical: to examine the allegations of fact and the doctrines which are put forward to prove the correctness of the diagnosis and to warrant the use of the remedies proposed.

The propositions put forward by social reformers nowadays are chiefly of two kinds. There are assertions in historical form, chiefly in regard to the comparison of existing with earlier social states, which are plainly based on defective historical knowledge, or at most on current stock historical dicta which are uncritical and incorrect. Writers very often assert that something never existed before because they do not know that it ever existed before, or that something is worse than ever before because they are not possessed of detailed information about what has existed before. The other class of propositions consists of dogmatic statements which, whether true or not, are unverifiable. This class of propositions is the pest and bane of current economic and social discussion. Upon a more or less superficial view of some phenomenon a suggestion arises which is embodied in a philosophical proposition and promulgated as a truth. From the form and nature of such propositions they can always be

brought under the head of "ethics." This word at least gives them an air of elevated sentiment and purpose, which is the only warrant they possess. It is impossible to test or verify them by any investigation or logical process whatsoever. It is therefore very difficult for anyone who feels a high responsibility for historical statements, and who absolutely rejects any statement which is unverifiable, to find a common platform for discussion or to join issue satisfactorily in taking the negative.

When anyone asserts that the class of skilled and unskilled manual laborers of the United States is worse off now in respect to diet, clothing, lodgings, furniture, fuel, and lights; in respect to the age at which they can marry; the number of children they can provide for; the start in life which they can give to their children, and their chances of accumulating capital, than they ever have been at any former time, he makes a reckless assertion for which no facts have been offered in proof. Upon an appeal to facts, the contrary of this assertion would be clearly established. It suffices, therefore, to challenge those who are responsible for the assertion to make it good.

If it is said that the employed class are under much more stringent discipline than they were thirty years ago or earlier, it is true. It is not true that there has been any qualitative change in this respect within thirty years, but it is true that a movement which began at the first settlement of the country has been advancing with constant acceleration and has become a noticeable feature within our time. This movement is the advance in the industrial organization. The first settlement was made by agriculturists, and for a long time there was scarcely any organization. There were scattered farmers, each working for himself, and some small towns with only

rudimentary commerce and handicrafts. As the country has filled up, the arts and professions have been differentiated and the industrial organization has been advancing. This fact and its significance has hardly been noticed at all; but the stage of the industrial organization existing at any time, and the rate of advance in its development, are the absolutely controlling social facts. Nine-tenths of the socialistic and semi-socialistic, and sentimental or ethical, suggestions by which we are overwhelmed come from failure to understand the phenomena of the industrial organization and its expansion. It controls us all because we are all in it. It creates the conditions of our existence, sets the limits of our social activity, regulates the bonds of our social relations, determines our conceptions of good and evil, suggests our life-philosophy, molds our inherited political institutions, and reforms the oldest and toughest customs, like marriage and property. I repeat that the turmoil of heterogeneous and antagonistic social whims and speculations in which we live is due to the failure to understand what the industrial organization is and its all-pervading control over human life, while the traditions of our school of philosophy lead us always to approach the industrial organization, not from the side of objective study, but from that of philosophical doctrine. Hence it is that we find that the method of measuring what we see happening by what are called ethical standards, and of proposing to attack the phenomena by methods thence deduced, is so popular.

The advance of a new country from the very simplest social coordination up to the highest organization is a most interesting and instructive chance to study the development of the organization. It has of course been attended all the way along by stricter subordination and higher discipline. All organization implies restriction of

liberty. The gain of power is won by narrowing individual range. The methods of business in colonial days were loose and slack to an inconceivable degree. The movement of industry has been all the time toward promptitude, punctuality, and reliability. It has been attended all the way by lamentations about the good old times; about the decline of small industries; about the lost spirit of comradeship between employer and employee; about the narrowing of the interests of the workman; about his conversion into a machine or into a "ware," and about industrial war. These lamentations have all had reference to unquestionable phenomena attendant on advancing organization. In all occupations the same movement is discernible—in the learned professions, in schools, in trade, commerce, and transportation. It is to go on faster than ever, now that the continent is filled up by the first superficial layer of population over its whole extent and the intensification of industry has begun. The great inventions both make the intension of the organization possible and make it inevitable, with all its consequences, whatever they may be. I must expect to be told here, according to the current fashions of thinking, that we ought to control the development of the organization. The first instinct of the modern man is to get a law passed to forbid or prevent what, in his wisdom, he disapproves. A thing which is inevitable, however, is one which we cannot control. We have to make up our minds to it, adjust ourselves to it, and sit down to live with it. Its inevitableness may be disputed, in which case we must re-examine it; but if our analysis is correct, when we reach what is inevitable we reach the end, and our regulations must apply to ourselves, not to the social facts.

Now the intensification of the social organization is

what gives us greater social power. It is to it that we owe our increased comfort and abundance. We are none of us ready to sacrifice this. On the contrary, we want more of it. We would not return to the colonial simplicity and the colonial exiguity if we could. If not, then we must pay the price. Our life is bounded on every side by conditions. We can have this if we will agree to submit to that. In the case of industrial power and product the great condition is combination of force under discipline and strict coordination. Hence the wild language about wage-slavery and capitalistic tyranny.

In any state of society no great achievements can be produced without great force. Formerly great force was attainable only by slavery aggregating the power of great numbers of men. Roman civilization was built on this. Ours has been built on steam. It is to be built on electricity. Then we are all forced into an organization around these natural forces and adapted to the methods or their application; and although we indulge in rhetoric about political liberty, nevertheless we find ourselves bound tight in a new set of conditions, which control the modes of our existence and determine the directions in which alone economic and social liberty can go.

If it is said that there are some persons in our time who have become rapidly and in a great degree rich, it is true; if it is said that large aggregations of wealth in the control of individuals is a social danger, it is not true.

The movement of the industrial organization which has just been described has brought out a great demand for men capable of managing great enterprises. Such have been called "captains of industry." The analogy with military leaders suggested by this name is not misleading. The great leaders in the development of the

industrial organization need those talents of executive and administrative skill, power to command, courage, and fortitude, which were formerly called for in military affairs and scarcely anywhere else. The industrial army is also as dependent on its captains as a military body is on its generals. One of the worst features of the existing system is that the employees have a constant risk in their employer. If he is not competent to manage the business with success, they suffer with him. Capital also is dependent on the skill of the captain of industry for the certainty and magnitude of its profits. Under these circumstances there has been a great demand for men having the requisite ability for this function. As the organization has advanced, with more impersonal bonds of coherence and wider scope of operations, the value of this functionary has rapidly increased. The possession of the requisite ability is a natural monopoly. Consequently, all the conditions have concurred to give to those who possessed this monopoly excessive and constantly advancing rates of remuneration.

Another social function of the first importance in an intense organization is the solution of those crises in the operation of it which are called the conjuncture of the market. It is through the market that the lines of relation run which preserve the system in harmonious and rhythmical operation. The conjuncture is the momentary sharper misadjustment of supply and demand which indicates that a redistribution of productive effort is called for. The industrial organization needs to be insured against these conjunctures, which, if neglected, produce a crisis and catastrophe; and it needs that they shall be anticipated and guarded against as far as skill and foresight can do it. The rewards of this function for the bankers and capitalists who perform it are very

great. The captains of industry and the capitalists who operate on the conjuncture, therefore, if they are successful, win, in these days, great fortunes in a short time. There are no earnings which are more legitimate or for which greater services are rendered to the whole industrial body. The popular notions about this matter really assume that all the wealth accumulated by these classes of persons would be here just the same if they had not existed. They are supposed to have appropriated it out of the common stock. This is so far from being true that, on the contrary, their own wealth would not be but for themselves; and besides that, millions more of wealth, many-fold greater than their own, scattered in the hands of thousands, would not exist but for them.

Within the last two years I have traveled from end to end of the German Empire several times on all kinds of trains. I reached the conviction, looking at the matter from the passenger's standpoint, that, if the Germans could find a Vanderbilt and put their railroads in his hands for twenty-five years, letting him reorganize the system and make twenty-five million dollars out of it for himself in that period, they would make an excellent bargain.

But it is repeated until it has become a commonplace which people are afraid to question, that there is some social danger in the possession of large amounts of wealth by individuals. I ask, Why? I heard a lecture two years ago by a man who holds perhaps the first chair of political economy in the world. He said, among other things, that there was great danger in our day from great accumulations; that this danger ought to be met by taxation, and he referred to the fortune of the Rothschilds and to the great fortunes made in America to prove his point. He omitted, however, to state in what

the danger consisted or to specify what harm has ever been done by the Rothschild fortunes or by the great fortunes accumulated in America. It seemed to me that the assertions he was making, and the measures he was recommending, *ex-cathedra*, were very serious to be thrown out so recklessly. It is hardly to be expected that novelists, popular magazinists, amateur economists, and politicians will be more responsible. It would be easy, however, to show what good is done by accumulations of capital in a few hands — that is, under close and direct management, permitting prompt and accurate application; also to tell what harm is done by loose and unfounded denunciations of any social component or any social group. In the recent debates on the income tax the assumption that great accumulations of wealth are socially harmful and ought to be broken down by taxation was treated as an axiom, and we had direct proof how dangerous it is to fit out the average politician with such unverified and unverifiable dogmas as his warrant for his modes of handling the direful tool of taxation.

Great figures are set out as to the magnitude of certain fortunes and the proportionate amount of the national wealth held by a fraction of the population, and eloquent exclamation-points are set against them. If the figures were beyond criticism, what would they prove? Where is the rich man who is oppressing anybody? If there was one, the newspapers would ring with it. The facts about the accumulation of wealth do not constitute a plutocracy, as I will show below. Wealth, in itself considered, is only power, like steam, or electricity, or knowledge. The question of its good or ill turns on the question how it will be used. To prove any harm in aggregations of wealth it must be shown that great wealth is, as a rule, in the ordinary course of social affairs, put



to a mischievous use. This cannot be shown beyond the very slightest degree, if at all.

Therefore, all the allegations of general mischief, social corruption, wrong, and evil in our society must be referred back to those who make them for particulars and specifications. As they are offered to us we cannot allow them to stand, because we discern in them faulty observation of facts, or incorrect interpretation of facts, or a construction of facts according to some philosophy, or misunderstanding of phenomena and their relations, or incorrect inferences, or crooked deductions.

Assuming, however, that the charges against the existing "capitalistic" — that is, industrial — order of things are established, it is proposed to remedy the ill by reconstructing the industrial system on the principles of democracy. Once more we must untangle the snarl of half ideas and muddled facts.

Democracy is, of course, a word to conjure with. We have a democratic-republican political system, and we like it so well that we are prone to take any new step which can be recommended as "democratic" or which will round out some "principle" of democracy to a fuller fulfillment. Everything connected with this domain of political thought is crusted over with false historical traditions, cheap philosophy, and undefined terms, but it is useless to try to criticize it. The whole drift of the world for five hundred years has been toward democracy. That drift, produced by great discoveries and inventions, and by the discovery of a new continent, has raised the middle class out of the servile class. In alliance with the crown they crushed the feudal classes. They made the crown absolute in order to do it. Then they turned against the crown and, with the aid of the handicraftsmen and peasants, conquered it. Now the next

conflict which must inevitably come is that between the middle capitalist class and the proletariat, as the word has come to be used. If a certain construction is put on this conflict, it may be called that between democracy and plutocracy, for it seems that industrialism must be developed into plutocracy by the conflict itself. That is the conflict which stands before civilized society to-day. All the signs of the times indicate its commencement, and it is big with fate to mankind and to civilization.

Although we cannot criticise democracy profitably, it may be said of it, with reference to our present subject, that up to this time democracy never has done anything, either in politics, social affairs, or industry, to prove its power to bless mankind. If we confine our attention to the United States, there are three difficulties with regard to its alleged achievements, and they all have the most serious bearing on the proposed democratization of industry.

1. The time during which democracy has been tried in the United States is too short to warrant any inferences. A century or two is a very short time in the life of political institutions, and if the circumstances change rapidly during the period the experiment is vitiated.

2. The greatest question of all about American democracy is whether it is a cause or a consequence. It is popularly assumed to be a cause, and we ascribe to its beneficent action all the political vitality, all the easiness of social relations, all the industrial activity and enterprise which we experience and which we value and enjoy. I submit, however, that, on a more thorough examination of the matter, we shall find that democracy is a consequence. There are economic and sociological causes for our political vitality and vigor, for the ease and elasticity of our social relations, and for our industrial power

and success. Those causes have also produced democracy, given it success, and have made its faults and errors innocuous. Indeed, in any true philosophy, it must be held that in the economic forces which control the material prosperity of a population lie the real causes of its political institutions, its social class-adjustments, its industrial prosperity, its moral code, and its world-philosophy. If democracy and the industrial system are both products of the economic conditions which exist, it is plainly absurd to set democracy to defeat those conditions in the control of industry. If, however, it is not true that democracy is a consequence, and I am well aware that very few people believe it, then we must go back to the view that democracy is a cause. That being so, it is difficult to see how democracy, which has had a clear field here in America, is not responsible for the ills which Mr. Bellamy and his comrades in opinion see in our present social state, and it is difficult to see the grounds of asking us to intrust it also with industry. The first and chief proof of success of political measures and systems is that, under them, society advances in health and vigor and that industry develops without causing social disease. If this has not been the case in America, American democracy has not succeeded. Neither is it easy to see how the masses, if they have undertaken to rule, can escape the responsibilities of ruling, especially so far as the consequences affect themselves. If, then, they have brought all this distress upon themselves under the present system, what becomes of the argument for extending the system to a direct and complete control of industry?

3. It is by no means certain that democracy in the United States has not, up to this time, been living on a capital inherited from aristocracy and industrialism. We have no pure democracy. Our democracy is limited

at every turn by institutions which were developed in England in connection with industrialism and aristocracy, and these institutions are of the essence of our system. While our people are passionately democratic in temper and will not tolerate a doctrine that one man is not as good as another, they have common sense enough to know that he is not; and it seems that they love and cling to the conservative institutions quite as strongly as they do to the democratic philosophy. They are, therefore, ruled by men who talk philosophy and govern by the institutions. Now it is open to Mr. Bellamy to say that the reason why democracy in America seems to be open to the charge made in the last paragraph, of responsibility for all the ill which he now finds in our society, is because it has been infected with industrialism (capitalism); but in that case he must widen the scope of his proposition and undertake to purify democracy before turning industry over to it. The socialists generally seem to think that they make their undertakings easier when they widen their scope, and make them easiest when they propose to remake everything; but in truth social tasks increase in difficulty in an enormous ratio as they are widened in scope.

The question, therefore, arises, if it is proposed to reorganize the social system on the principles of American democracy, whether the institutions of industrialism are to be retained. If so, all the virus of capitalism will be retained. It is forgotten, in many schemes of social reformation in which it is proposed to mix what we like with what we do not like, in order to extirpate the latter, that each must undergo a reaction from the other, and that what we like may be extirpated by what we do not like. We may find that instead of democratizing capitalism we have capitalized democracy — that is, have

brought in plutocracy. Plutocracy is a political system in which the ruling force is wealth. The denunciation of capital which we hear from all the reformers is the most eloquent proof that the greatest power in the world to-day is capital. They know that it is, and confess it most when they deny it most strenuously. At present the power of capital is social and industrial, and only in a small degree political. So far as capital is political, it is on account of political abuses, such as tariffs and special legislation on the one hand and legislative strikes on the other. These conditions exist in the democracy to which it is proposed to transfer the industries. What does that mean except bringing all the power of capital once for all into the political arena and precipitating the conflict of democracy and plutocracy at once? Can anyone imagine that the masterfulness, the overbearing disposition, the greed of gain, and the ruthlessness in methods, which are the faults of the master of industry at his worst, would cease when he was a functionary of the State, which had relieved him of risk and endowed him with authority? Can anyone imagine that politicians would no longer be corruptly fond of money, intriguing, and crafty when they were charged, not only with patronage and government contracts, but also with factories, stores, ships, and railroads? Could we expect anything except that, when the politician and the master of industry were joined in one, we should have the vices of both unchecked by the restraints of either? In any socialistic state there will be one set of positions which will offer chances of wealth beyond the wildest dreams of avarice; viz., on the governing committees. Then there will be rich men whose wealth will indeed be a menace to social interests, and instead of industrial peace there will be such war as no one has dreamed of yet:

the war between the political ins and outs — that is, between those who are on the committee and those who want to get on it.

We must not drop the subject of democracy without one word more. The Greeks already had occasion to notice a most serious distinction between two principles of democracy which lie at its roots. Plutarch says that Solon got the archonship in part by promising equality, which some understood of esteem and dignity, others of measure and number. There is one democratic principle which means that each man should be esteemed for his merit and worth, for just what he is, without regard to birth, wealth, rank, or other adventitious circumstances. The other principle is that each one of us ought to be equal to all the others in what he gets and enjoys. The first principle is only partially realizable, but, so far as it goes, it is elevating and socially progressive and profitable. The second is not capable of an intelligible statement. The first is a principle of industrialism. It proceeds from and is intelligible only in a society built on the industrial virtues, free endeavor, security of property, and repression of the baser vices; that is, in a society whose industrial system is built on labor and exchange. The other is only a rule of division for robbers who have to divide plunder or monks who have to divide gifts. If, therefore, we want to democratize industry in the sense of the first principle, we need only perfect what we have now, especially on its political side. If we try to democratize it in the sense of the other principle, we corrupt politics at one stroke; we enter upon an industrial enterprise which will waste capital and bring us all to poverty, and we set loose greed and envy as ruling social passions.

If this poor old world is as bad as they say, one more

reflection may check the zeal of the headlong reformer. It is at any rate a tough old world. It has taken its trend and curvature and all its twists and tangles from a long course of formation. All its wry and crooked gnarls and knobs are therefore stiff and stubborn. If we puny men by our arts can do anything at all to straighten them, it will only be by modifying the tendencies of some of the forces at work, so that, after a sufficient time, their action may be changed a little and slowly the lines of movement may be modified. This effort, however, can at most be only slight, and it will take a long time. In the meantime spontaneous forces will be at work, compared with which our efforts are like those of a man trying to deflect a river, and these forces will have changed the whole problem before our interferences have time to make themselves felt. The great stream of time and earthly things will sweep on just the same in spite of us. It bears with it now all the errors and follies of the past, the wreckage of all the philosophies, the fragments of all the civilizations, the wisdom of all the abandoned ethical systems, the debris of all the institutions, and the penalties of all the mistakes. It is only in imagination that we stand by and look at and criticize it and plan to change it. Everyone of us is a child of his age and cannot get out of it. He is in the stream and is swept along with it. All his sciences and philosophy come to him out of it. Therefore the tide will not be changed by us. It will swallow up both us and our experiments. It will absorb the efforts at change and take them into itself as new but trivial components, and the great movement of tradition and work will go on unchanged by our fads and schemes. The things which will change it are the great discoveries and inventions, the new reactions inside the social organism, and the changes in the earth itself

on account of changes in the cosmical forces. These causes will make of it just what, in fidelity to them, it ought to be. The men will be carried along with it and be made by it. The utmost they can do by their cleverness will be to note and record their course as they are carried along, which is what we do now, and is that which leads us to the vain fancy that we can make or guide the movement. That is why it is the greatest folly of which a man can be capable, to sit down with a slate and pencil to plan out a new social world.