

What an American Learned in England

By ZACH MCGHEE

In World's Work

DURING a recent visit to England I observed this striking contrast: in America the seller dominates business, so that the effort is always to increase prices; in the United Kingdom the buyer is the dominating factor, and the tendency is always to lower prices.

Go with me along a magnificent macadam road into the little town of Burnley, set snugly up among the green hills of Lancashire. It is picturesque and old and English to the core, but it is not the sleepy village that we have been taught to think that an English village is; Burnley is accounted scarcely more than a village, although a hundred thousand people live there. Except for the clatter of the iron-rimmed "clogs" which the happy children wear on their feet, there is little noise. And yet before you and I get up to our eight o'clock breakfast in the morning, they have made half a million yards of cotton cloth—enough for a dress apiece for some 30,000 women. They have made 20,000,000 yards by the time we are ready for dinner. Its streets throb with life and energy, though not with bustle or hurry; and tall towering chimneys from hundreds of throbbing factories offer up their burnt-offerings to the Goddess of Industry.

Let us take one of the tramcars which carry the busy thousands. The service is excellent; everybody has a seat—the law so requires; the fare is one penny. Our landlady pays for her gas 2s. 2d. a thousand feet, and if we watch it we will see that it is a far superior gas to that in Washington, D. C., where I pay 4s. for a thousand feet. The electric light in our room costs our landlady about half what it costs us in those American cities where it is cheapest. Water is furnished to every household at the actual cost of transporting it.

Our landlady charges us considerably less for board than we are accustomed to pay—that is, if she charges us her usual price—for she can afford it. She buys fourteen pounds of the "best American flour" for 2s.; in America she would have to pay 3s. for the same flour. She buys twenty-five pounds of the best grade of granulated sugar for the equivalent of a dollar; if she lived in Louisiana, Michigan, or Idaho, where this sugar grows, she could get no more than from fourteen to sixteen pounds of the same sugar for her dollar. Her rice costs her from 2½d. to 3d. a pound; in the rice fields of South Carolina she would pay 5d. a pound for it. A pound package of soda costs her a ha'penny. In America it would cost her 2½d.

In America there is a heavy tax on each of these articles, a tax which does not, however, go to the support of the government, but to the "business man," that is, to the man who sells. In England they are looking out for the interests of our landlady who has to buy, and there is no tax.

Our landlady (along with the greater portion of the people in Burnley) buys her goods from co-operative stores, which are operated solely in the interests of the people who buy from them. The "business man" who gets the profits is the one who buys; the one who sells gets a salary. What is true of Burnley is true of practically every town and borough in the United Kingdom. One co-operative store in Edinburgh last year had 38,180 customers, to every one of whom 4s. 4d. out of £1 worth purchased (21.5 per cent.) was returned. That is what they call a successful "business man" or a small group of stockholders; there are 38,180 of them.

Municipal Ownership Everywhere

Likewise in this and practically every British town the consumer (the man who buys) is the "business man" who owns and operates the gasworks, the waterworks, the electric-lighting plant, the street-railway system, and all the other public utilities, including in most places the market stalls, the public baths, the hospitals, the cemeteries, and

in some cases tenement-houses and office buildings. In Glasgow, for instance, a man can live in a dwelling which he rents from all the citizens of his city; he can cook meals on a citizens-owned stove with citizens-made gas, make his tea with citizens-furnished water, ride to his business on tramcars owned and operated by all the citizens, use a citizens-owned telephone; when it grows dark he can switch on a citizens-furnished electric light; he can use the citizens-operated baths—tub, shower, or swimming pool, hot or cold, with every necessity for his comfort and convenience, including soap and towel—for from a ha'penny to threepence; he can hire his servants through the citizens-operated servants' bureau, with no charge either to him or to the servant; his children can use the public playgrounds with all sorts of gymnasium appliances; he himself can play on the public golf-links; he and his children can attend, free, the Saturday afternoon music concerts—outdoors in summer, in a warm, comfortable hall in

While this particular man was not frightened, the word "Socialism" is a bugaboo in England just as it is in the United States. The word frightens people; they are not afraid of the thing itself, for throughout the length and breadth of the island there is scarcely to be found a man who opposes all forms of municipal ownership. Moreover, all the telegraph lines in Great Britain are owned and operated by the government; the government in few years will take over all telephone lines; and there is more or less general belief that the taking over of the railways will follow.

This is the sort of thing which is going on in England; and I have told only a part. It is not involved in the present political agitation nor was it an issue in the recent election: for all political parties have encouraged it. It is not a political upheaval, but an economic evolution already far advanced, and not all the lords in creation can stop or stay it. Throughout the whole of the United Kingdom, apart from politics

DIRECT LEGISLATION

If you are interested in improving the system of government in Canada you should study Professor Frank Parsons' book entitled "The City for the People." He devotes a great deal of attention to Direct Legislation and this is considered the best book published on the subject. He also deals in the same book with Public Ownership, Home Rule for Cities, and the Merit System of Civil Service, and the best means of Overcoming Corruption. Professor Parsons in his book shows how reforms have been accomplished in Switzerland and in some of the American cities by means of the Initiative, the Referendum and the Recall. The book is double indexed for subjects and persons. It is a book to read carefully and to digest and think about. This book is published in paper binding at 50 cents. In lots of 10 or more 45 cents each. They will be sent to any reader post paid on receipt of price.

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winter; they can visit at any time, free, the public art collections; he can buy his goods from the citizens-owned markets; if he wishes to give an entertainment to his friends, he can use at a small cost the citizens-owned public halls; he can even grow oats or turnips in the public gardens, and go fishing in the citizens' special fishing preserves in the beautiful Loch Katrine.

If he is a working man and a widower, say, with young children, he can live in neat and comfortable lodgings, owned and kept by the citizens, with a nurse paid by the citizens to take care of his children; when he gets ill he can go to the public hospital owned by all the citizens (even to a hospital for inebriates, if that be his malady); and when he finally comes to die he may be buried in the citizens' cemetery—not for paupers, but for the first citizens of the city. And all of these he gets at actual cost without paying one penny profit to the seller, the "business man," in our sense. And there is not one penny or one particle of charity in it all. No philanthropist has provided any of these benefits, but he himself and his fellow-citizens have established them. He is not even taxed for most of them, for they support themselves.

"Why, in America this would be called Socialism," I said one day to the secretary of the Glasgow Chamber of Commerce. I knew that he was not a Socialist, and I waited with interest to see how he was going to explain. Strangely enough, he did not explain at all; he calmly puffed his cigar and observed, "Well, I can't just see what difference it makes what you call it. You can see that it is a success."

and almost wholly independent of it, there has already grown up a condition which the Socialists in no other country have even hoped to attain in this generation.

Co-operation Better than Charity

Cycling one day in the vicinity of Birmingham, I came suddenly into a new and beautiful village. Artistic cottages of four, six, and eight rooms, each surrounded by a carpet of green grass, speckled over with flowers and shrubbery, lined the clean, paved streets, along which also ran rows of ornamental shade trees. An attractive school-house and a public hall, several beautiful churches, playgrounds for children, pleasure grounds for all, were there. The village was not finished. New houses were being built, new streets opened and paved, new trees, shrubbery and flowers set out here and there. Tradesmen, clerks, factory operatives, professional men, and others had left the crowded, noisy, smoke-begrimed streets of Birmingham and come out into the pure wholesome air of the country. Some enterprising real-estate company or some wealthy capitalist is doing a good business, I thought; or else some philanthropist is doing a great charity work among his fellowmen.

Not at all. It was a co-operative society, and every penny of what we would term "profit" was considered a loss and turned back into the pockets of those who paid rent in excess of its actual cost.

"Who furnishes the capital for this enterprise?" I asked the bright young clerk who was showing me round.

"Capital! Why, it doesn't take any

capital, you know, in the ordinary sense. Every member of our society pays his instalments of ten shillings a month. With 200 members we get £20 a year ground rent, and with £882 we can build two eight-roomed houses, such as you see. In one year after we started we were able to build two. We let those and in a short time with the rent money and the instalments we had enough to build others; and so on."

Very simple; and you see how they eliminate not only the capitalist but the philanthropist, which is in keeping with the spirit of this whole economic trend in England.

Gas at Cost

Here is where we must consider closely the peculiar point of view. In our country a gas-plant, say, which makes profits for the stockholders of the company is considered a financial success. That is our point of view, but it is not the English. They consider such a business a "failure": it loses money, they say—for the user of gas. They act on this principle in the management of their public utilities as well as in their co-operative concerns. The moment a gas-plant makes what we term a "profit," they cut down the price of the gas to eliminate what they term a "loss"; and thus the enterprise "succeeds in that it seems to fail." The only town in the whole island of Great Britain where the gas is sold for as much as 3s. a thousand feet is Edinburgh. The price in Glasgow has recently been reduced to 2s. Generally, throughout the country it ranges from 2s. to 2s. 6d.

Similarly the waterworks have been successful, from the standpoint of the man who uses water; the street railway successful, from the standpoint of the man who rides on the cars; the electric plant, the markets, tenement houses, public baths, cemeteries, and other municipal enterprises (as well as the co-operative concerns) each a business success from the standpoint of this man in front of the counter, an active, participating party to every business transaction, who in England has come to dominate the whole country, in business as well as in government.

In some cases, such as that of the street railway, where on account of the fixed values of coins there cannot be a reduction or increase in fares in exact accordance with expenses so as to have no profit or loss, there is opportunity to judge of the "success" or "failure" in terms with which we are most familiar. Most of the street railways have necessarily been operated at a "loss" in the English sense, which "loss" is made good by returning the net receipts into the city treasury, where it operates to lower the tax rates. Taking the city of Glasgow as a fair example it is interesting to translate the word "success" into our language. The street railway management of that city last year paid interest on capital, £53,359; sinking fund, £70,123; income-tax to the national government, £10,444; put aside for general reserve fund, £16,275; and then turned in the city treasury, £50,000.

And this remarkable "profit" or "loss" according to the point of view, was made with fares less than one halfpenny a mile. This is about the standard in all the towns and cities of Great Britain and Ireland.

The street-railway management in Birmingham turned something like £40,000 of "loss" into the city treasury; the management in Manchester, £50,000; and so on in varying amounts in practically every town and city.

But remember that if it were only practicable, there would not be a penny to turn into the city treasury. The rigidity of coinage is alone responsible for the cumbersome, expensive, and inconvenient necessity of collecting from the public more money than is necessary for the operation of the cars, only to have to return it in another cumbersome and roundabout way.

If you tell these people—and I refer, of course, always to the dominant element—that they are Socialists, and

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