

bone of the industrial army to adopt an attitude on economic questions which will make for evolution and progress instead of revolution and disaster. The chief mischief is wrought by ignorance, or by a partial consideration of the natural laws which regulate the industrial sphere. The economists of the early nineteenth century made the mistake of concentrating too much on the production of wealth. Then arose theorists who showed the economist his error, and it was made plain, that not only how to produce wealth to the best advantage and in the greatest amount should be studied, but how wealth when produced should be distributed among the factors co-operating in its production. Unhappily extremists have fallen into the error of concentrating their attention on the question of distribution; and this has led to what is called the *ca' canny policy*. Some leaders ignore the fact that labour of all grades is paid out of what it produces, not out of some existing fund. Rising prices are due to a great extent to the fact that with higher wages and shorter hours there is a smaller output per unit, to some extent caused either directly or indirectly by this policy. Under such circumstances higher wages cannot benefit the working man. What is needed at the present moment is that all ranks in the industrial army should be equally well versed in the economic laws which regulate, not only