

I. DIAGRAM OF SOCIAL DYNAMICS,

Showing effect of the adoption of some Schemes of Social Progress.

Classes presently exercising Function.	Function.	Reward.	
State.	Government.	Taxation.	<p>LAND NATIONALISATION.</p> <p>STATE SOCIALISM.</p> <p>PEASANT PROPRIETARY.</p> <p>CO-OPERATIVE PRODUCTION.</p>
Landholders.	Landholding.	Rent.	
Capitalists.	Holding of Capital.	Interest.	
Employers.	Organisation of Labour.	Salaries and Profits.	
Labourers.	Labour.	Wages.	

LAND NATIONALISATION involves the transference of the function of landholding and the reward of its exercise from the landholders to the State, and does not necessarily involve anything else.

STATE SOCIALISM involves the transference of the functions of landholding, capital-holding, and in extreme forms also of the organisation of labour, from those who exercise these functions at present to the State—the officials of the State exercising the functions and being paid for their service.

PEASANT PROPRIETARY involves the transference of the function of landholding to the labourer.

CO-OPERATIVE PRODUCTION WITH PROFIT-SHARING involves the transference of the function of the employer to the labourers collectively, and in extreme forms also the function of the capitalist.

CO-OPERATIVE DISTRIBUTION AND CO-OPERATIVE PRODUCTION (FEDERALISTIC) involve no transference of function from one class to another.