A third alternative is the election of the higher officials in each industry by the workers directly concerned, rather than by the general electorate. This plan has been put forward sporadically for many years but has recently been given fresh momentum by the growth of syndicalism, the revolutionary European trade unionism which sees in the union or guild the cell of the future social organism. The fatal flaw in the plan is that the very conditions which give this restricted electorate fuller knowledge of the situation, heighten their direct personal interest in the issue; the range of factional struggle would be narrowed but its intensity deepened. Nor is any means provided for harmonizing the demands and the products of the separate industries.

Next, what should be produced, and in what quantities? The demand for the great staples would be clearly audible and readily met. The danger here is twofold: that production would fall into a rut and that some articles would be tabooed by the prejudice of the majority. There would not be the same stimulus to variety which exists to-day when successful novelty spells fortune. And with the instruments of production in its hands it would be easy for the state to repress all habits and tastes which seemed to the majority pernicious or useless, by simply not producing the goods in question. Beer might go—picture a German socialist state without beer—and on beer might follow tobacco, or nerve-racking coffee, or corsets, or vaudeville, or prayer-books, as the majority swayed. The same tendency exists to-day, where as in the case of alcoholic drinks, the evils of excess are serious and widely recognized, but under collectivism its application would be immensely simplified and extended.

How much to produce is an even more difficult problem than what to produce. Under existing conditions the adjustment between demand and supply is made by price changes which automatically warn the producers of approaching scarcity or superabundance and set in motion counteracting forces. The traditional socialist doctrine of labor-value, has, however, made it appear essential to many collectivist schemers to forego this expedient, substituting, for the existing currency, labor-notes corresponding to the work performed, and setting up statistical computation in place of price charges as the means of adjusting supply and demand. If, on the other hand, money is retained, then as Engels, Marx's co-worker, pointed out, men will differ in their estimate of the future as they do now, some will lend and others will borrow, interest comes again and new masters of capital arise.

How assign the working force to their positions? Perhaps the work which is now most disagreeable might be done