

willing to do something more for their sovereign than sing "God Save the Queen," that they are ready to serve her in any part of the world and are prepared, if needs be, to fight and to die for her.

THOS. E. CHAMPION.

The Socialism of To-day.—IV.

(CAPITAL is Labour. It is as much Labour as electricity is horse, or other power transformed. But Labour lives by consuming new food, whereas Capital, considered strictly as money-capital, has the power of shrinking or of drawing upon itself when idle. A contest between Capital and Labour is, therefore, manifestly unequal. And, to add to the inequality, Capital usually is concentrated in gigantic form, whilst Labour, prior to unions, and even with them, remains pretty much as the child in the fairy tale. The remuneration of Labour under the present system admits of very little expansion, whilst that of Capital admits of unlimited expansion. Now, if Capital would by reason of its very nature share proportionately, and divide what is termed the profit equitably, there could be no further complaint of unequal competition and of even more unequal returns. In this endeavour to secure a fair division of the profits, countless schemes have been put forward from *laissez aller* and *laissez-faire* to state-control and communism. Before leaving the subject of this much-abused competition, however, it is perhaps only fair to cite Professor Rogers in that respect. "Given," he says, "a free market competition tends to raise wages." That is, of course, where the market is really free. Demand must be constant and unlimited. If the freedom be within the slowly expanding circumference of a circle, then, as now, the rapid increase of supply will tend to exceed the demand and the wages of Labour will be diminished to the lowest possible point, in order to maintain the rate of profit on increasing Capital. Whenever reference is made to a re-adjustment of the partnership articles of Labour and Capital the Capitalist cries out to know if Labour will share the losses as well as the profits. Labour does share the losses already, and begins long before Capital begins. If a Capitalist employer sees a tightening of the market he straightway knocks off a portion of the rate of wages of his employees, and perhaps shortens the hours of employment as well. The disposition of the workingmen to conciliate cannot be questioned. There are many cases on record where they have of their own notion lowered their wages to soothe the displeasure of Capital. However, the rapid accumulation of Capital shows where the surplus goes. A spirit of fair play, apart from the influence of public opinion, should constrain capitalists to re-adjust the relation. Socialism does not wish to leave the affair to free will at all, which of a truth in some cases seems to move but slowly, seeking instead a remedy more drastic than just in the establishing by force of a control by force, which is, broadly speaking, an exchange of the despotism of Capital for the despotism of a mere majority.

Marx, in his great work on Capital, charges Capital with unjustly appropriating the surplus-value of Labour by withholding from it a portion of the return which should go to it. This is done, he says, by dealing with Labour upon an economic or market-price basis instead of upon an intrinsic or real-value basis. By keeping down the market price of Labour, Capital buys it cheap but by various means within its reach Capital is enabled to sell Labour at a point nearer its real value. The difference is the surplus-value. But Marx does not deal with Labour and Capital upon the supposition of a common basic property in them. He takes a later starting-point. "The circulation of commodities is the starting-point of Capital," he says; and again "This final product of the circulation of commodities is the first form in which Capital appears." Labour has been deprived in the process of its surplus-value, or its due share of the returns. If, however, we do not establish their practical identity is it not difficult to show that Capital has not some mysterious right to the lion's share? Treated with the same re-agent Labour and Capital will give similar results. Drawing the comparison to a more practical conclusion might we not properly say that since the current rate on capital is, say, five per cent., the current rate on Labour should be the same. Both are ready for investment. The wages of Labour would be its five per cent. rate on the Labour invested. From these we have

the capital amounts of each and the returns over and above the respective five per cent. remunerations might be divided in the proportion of the capital-amounts.

Co-operation is profit-sharing carried to perfection. The parties to the contract are free to contract and are all of one mind. It is both permissible and desirable. The workingman become co-operator, has simply said to himself that he has hitherto given the fruits of his labour, over and above a crust of bread, to his employer, and that he intends now to set up for himself. Several workmen determine to do the same, hence they employ one bookkeeper to keep track of what they make and what they buy, at current prices, and to return the surplus or balance to them proportionately. It is true that co-operative societies, if actuated by a competitive spirit, may cut under each other in the market. But that will regulate itself and be of comparatively little consequence so long as each individual secures the return of his own industry. Because if the iron-working societies cut prices and the carpenters and the tailors, and in fact all the remaining branches of industry, manifestly they will all be reduced to the same level and prices will remain relatively the same. Such, indeed, would be the result of competition at the present time but for the fact that as the society of workingmen goes down that of the Capitalists keeps going up, the relative positions growing farther out of joint day by day, until the line of a bare means of subsistence for the workingman is reached. It will be observed, too, that a society of co-operators, if it comprise a sufficient variety of callings, may live entirely within itself. The objection to a national system of co-operation is that it may not be wholly voluntary and consistent with the free choice of every individual.

It cannot be denied, too, that the mechanism of exchange favours the Capitalist. It enables him to handle the workingman in the open market with greater ease. So, too, with legislation, which in England for centuries was chiefly in favour of the capitalistic landowner.

Co-operation looks to the maintenance of a decent standard of living, and where an individual is unable to work up to that standard he will draw, as at present, upon the generosity of his fellows.

The excellence of the Single Tax consists in its tendency to prevent the abuse of landholding. It requires no argument to demonstrate that it is wrong in principle to hold vacant land or any other prime natural necessary merely for the purpose of making others pay the price of a tight market. And in addition to this, it is plain that no private individual has the right to confiscate the indefinite increment given to the land by that very community which is deprived of its use.

But it is objected that Single Tax suddenly put upon the statute-book means the confiscation of at least a portion of the true investment of the private owner. That objection, undoubtedly valid as it is, can, however, I think, be fairly met. Free all *future* improvements of taxation. The purchase of land under the present system carries with it the guarantee that the present method of imposing taxes shall not be changed so as to shift the burden of taxation beyond the present relative proportion upon any one kind of property, having regard to property now in existence or within reasonable contemplation. But there is no guarantee implied in the present system, morally or legally preventing the legislature's saying that all improvements made after a certain date in the future, say five years, shall not be free of taxation. Hence, if Parliament decreed that after the 1st day of January, 1900, all improvements made after that date should be free from taxation or any portion of taxes, there could be no moral objection. Complications could be avoided by making the taxes of old improvements a registerable lien against the land upon which they stand. Time would then suffice to complete the substitution of the new system of one tax for the old system of many. I submitted this to Mr. George himself and his reply was, that it was unnecessary, as the ordinary agencies of diffusion would accomplish the desired result. It was submitted to him with the view of testing its logical soundness, which I understood the great economist to admit. But Mr. George's "ordinary agencies of diffusion" can hardly be supposed to be satisfactory to the landowner, who, if he is a trespasser, became so by permission of the community. The Single Tax, it will be observed, does not do away with private pos-