Liberty and Wealth—

and other writings on Equitable Commerce

CONTENTS:

PREFACE:

By the time that Pierre-Joseph Proudhon declared himself an anarchist in 1840, Josiah Warren had developed his system of EQUITABLE COMMERCE around the principles of COST THE LIMIT OF PRICE and the SOVEREIGNTY OF THE INDIVIDUAL, and had tested those principles in a series of practical experiments. Warren did not like labels, and had no desire to found a school, so he did not call himself an anarchist, and he considered himself a defender of private property, so he rejected comparisons to Proudhon, but the similarities between the two libertarian thinkers are not inconsiderable, and they are now generally considered the two major sources of the mutualist anarchist tradition.

The "Brief Outline" included here is a succinct introduction to Warren's thought, and if you have never had a chance to read his longer works on the subject,[1] you may want to skip ahead to that piece. It is quite good: the basic technical details are all there. But it is never quite enough to get the gist of an individualist philosophy from only one individual, particularly one who, like Warren, had more than his share of personal peculiarities. Readers of *Equitable Commerce* have, for instance, frequently been taken aback by Warren's account of how he conducted the raising and education of his daughter, from the age of seven, on a rather strict contract basis. It is, at once, a rather striking example of the cost principle at work, and a rather peculiar example of parenting. Readers may be inclined to think that Warren felt just a little too much "cost" in doing his fatherly duties.

Much of the value of the two tales by Sidney H. Morse comes from the fact that they are very orthodox explanations of equitable commerce, told by a rather different sort of individual, and they suggest to us other ways in which the basic principles might be applied. It doesn't hurt that Morse—a radical transcendentalist, sculptor, friend of Whitman and contributor to Liberty—was also an entertaining writer. Enjoy!

—SHAWN P. WILBUR

[1] See my "Digital Editions of Josiah Warren" [http://libertarian-labyrinth.blogspot.com/2009/04/digital-editions-of-josiah-warren-etc.html] for links to the major works.

Liberty and Wealth

Sidney H. Morse.

I.

STARTING ON THE JOURNEY.

"Every man's brains are God-given for his own benefit."

This is the corner into which I beheld a capitalist driven. I say capitalist. But the man was only a day-laborer, and had found it difficult to keep a small family in ordinary comfort.

"Nobody is to blame but myself that I am not rich," he said, "I have neglected to pursue the proper course. But that course was open to me, as it is to everybody in *this* country. The way is before every man's eyes; it needs but the will and—the brains!"

So, I said, he was a capitalist.

If he lay in the gutter and drank swill, he would still be a capitalist.

For "out of the abundance of the heart the mouth speaketh," even with more oracular power than out of the abundance of gold.

What is a capitalist?

One who has capital?

Oh, no!

A capital*ist* is one who uses, or would use, his capital to get other people's capital,—taking good care to keep his own insured and solid.

Did he exchange one sort for another sort, the scales balancing, he would be no robber; so, not a capitalist.

"Ah!" cries my man in a corner, "that would be a pretty how-do-you-do. Where would be the stimulus, the inducement, the incitement?"

It is in vain to reply to this capitalist in a corner that the world is not bound to provide him out of its general welfare with stimulants, inducements, incitements to be other than an honest man, a fair and square man; measuring his fairness and squareness by the *equivalents of his own labor or capital he renders for the labor or capital of others*.

"For," he shouts, "that would be damned poor consolation. Besides, what's an equivalent? One man's hour of brains for another's hour of no brains?"

And now he is furious. He stands there maddened and gesticulating, his voice raised to a shriek.

"I tell you a man's brains are his own! A man's brains are for his own benefit! If he must be Socialist, Nihilist, Anarchist,—that is, be brains for all God's world,—he is no man, but a slave,—a damned slave!"

This capitalist is profane.

He is probably more profane than he would be if he had not his millions—to get.

He hopes, he expects, even yet to show that his brains are good for a few billions.

Then he will be rosy, fat, and jolly. He will smile at you blandly, when you "air your theories."

But now he rages if you but lay a straw across his path.

He can brook no slightest cheek to his ambition.

"You're a damned interfering lunatic," he cries, "and you ought to be locked up, you had. It ought not to be allowed in this country, endangering life and property. There's that Herr Most! I'd send him to hell quicker, if I had the chance."

And this man,—this poor man,—this capitalist,—this poor man who is a billionaire in his heart,—who would trample life, liberty, and all men's happiness but his own in the dust, if need be, to provide employment for his brains,—this poor man in the corner foamed at the mouth. He raved himself hoarse. He sank down exhausted, quiescent.

Then his tormentor said: "You say a man's brains are his own: you mean, a man's brains are the devil's."

The exhausted would-be billionaire whispered:

"You lie!"

"But I will show you I do not lie. What is a devil? A devil is the incarnation of ignorance, darkness, wrong, cruelty, murder; a destroyer, a glutton, and a gouger; a roaring lion going about seeking whom he may devour—for his own benefit: he is also—an ass.

"And for this last—which is but the sum and result of all his other attributes—he is doomed.

"All the brains in the world won't save him.

"There is a black drop in his heart,—a drop of poison.

"A little drop; but, as it mounts to his brain, it puts confusion there. The man sees as through a glass darkly, sees men as trees walking: sees as many trees to be chopped down and cast into the fire for *his* benefit.

"With all his brains he is a fool, an ass. He makes this fatal mistake. They are not trees, these men: they are also *selves*.

"Assailed, at length they turn and rend him.

"What did he expect?

"He expected that he could go on despoiling all mankind of life and property, and that this same mankind, despoiled and starving, would submit, subside, go placidly to perdition, and leave him alone to flourish.

"A more asinine conclusion could not be reached."

This champion of brains has regained his breath. He is also, in a measure, calmed.

He comes a little way from his corner.

He looks out of the window.

A neighbor, passing, nods to him.

"There goes a man, now, too honest to live. He's poor, but he don't seem to mind it. Or, at any rate, it don't fret him. You see he's not ambitious. He has plenty of brains, nevertheless. If you don't think so, just tackle him. But he's a deal sight better to other people than he is to himself. He's too fussy. Has too many 'principles,' crotchets, hobbies. It don't pay to have hobbies,—to be wiser and better than the rest of mortals. Your lot is cast with mankind as it is today, and you are bound, if you're in Rome, to do as the Romans do—or go under. But that man—I don't suppose he ever wronged anybody in his life."

"Astonishing! The miserable fellow! How he must suffer! Not to do as the Romans do! And he's going under, is he?"

"No, he isn't; because he's never been over. He's always stayed down,"

"But he must be miserable?"

"Yes, but he don't know it."

"He never wronged any one! That's his sin, is it?"

"Well, yes, it's a sin to be too superstitious that way. I don't believe myself in deliberately wronging others, but one can spend all his time thinking how not to do it. He must go ahead, and keep an eye on business,—legitimate business."

"Oh! your proposition now is this: a man's brains are his own, and to be used for his own benefit, in doing *legitimate* business."

Exactly! I supposed that was understood."

"You *will* be as honest, then, as the law allows you to be? Yours is a *legal* virtue?"

"As the law allows; as, also, public opinion allows. More than that I don't pretend."

"A man's brains, then, are to be used for his own benefit in such ways as public opinion and the laws do not forbid?"

"I'm willing to rest my case there."

"When you said God,—I believe you said God,—you meant to say God as interpreted by public opinion and the laws? That is, you take your God second-hand?"

"That's better than you reformers do. For you are one and all atheists."

"For that matter, we all practically stand on the same ground. Your public opinion is simply the popular idea of what is right, or somewhere near right. Other people know no more about God than you or I. When they say, 'Thus saith God,' it amounts to no more than if they said, 'Thus *we* say.' There may be a God; there may not be. All you get, if there be one, is your ability to see things,—power to investigate and to understand the natural world about you and the natural world of man which, it might not be amiss to say, is within you. Now, this ability, this power, increases with use. It grows like the muscular tissues of the body. Every age inherits the past, and adds to it by its own growth. If we are not wiser, we have more knowledge than our fathers.

"Well, now, there you stand, half-way out of your corner. You first said God gave you brains for your own benefit. But, if you sought your own benefit in the way you proposed, you would start on a war for the extermination of the rest of mankind. Your motto, written large, full size, would be: 'I want this earth. All but me must emigrate.' Of course, you would be aiming at the impossible and get tripped up. But you would in so far fall short of realizing your ideal benefit.

"Now, as I say, you have advanced so far that you say of course you don't believe in deliberately wronging others; you will do a legitimate, a *legal* business. You recognize public opinion and the laws. You assume you are thus on the side of substantial justice.

"Now, would you step out from the shadow entirely, you would see a new sight. You might, as it were, look in a mirror and contemplate yourself.

"Shall I tell you what you would see?"

"Yes, as you think you know all about it, go on!"

"No, you are mistaken. I don't think I know *all* about it; but I am confident I know a little,—a little more than you, for instance. You shall be my judge. I shall say nothing which I shall not expect you will agree to—when you have done considering it.

"When you turn your brain to look into the mirror I spoke of, you will see yourself, intellectually and morally, as one taking a journey. Already you have left the old devil-abode,—where you dreamed of crushing, enslaving, or annihilating a world for your own private benefit,—and have come to the abode of mortals whose motto is still, 'Every man for himself; the best man wins;' but now the stakes are not the world. That sort of dice-throwing has come to be illegitimate. You think with a few *billions* you ought to be contented and stop, and go give the rest of mankind a chance.

"Before, you were governed only by your wild greed, which roamed unchecked to devour the entire substance of kingdoms, principalities, and dominions.

"Ordained of God to be emperor, king, despot, demon, for your own benefit.

"But now look! You are in a realm where the motto is, 'Be greedy; but not too greedy.'

"You may devour widows' houses, afflict the fatherless and oppressed,—but you must do it legally, according to law, in harmony with public opinion.

"Will you call to your aid your imagination? It may be necessary for you to realize fully the picture you present in the shadowless mirror.

"You see a man who has said to himself:

"'What a boon to me is life! If to me, why not to others,—to *all* others?

"'What a charm for me has liberty! Am I alone in this? Is it not, also, dear to all? Nay, is it not essential for all? Could I possibly enjoy it alone? Must not *all* possess it for me to retain it?

"'Ah, me! If my brains are for my own benefit, is it not clear that they must help, and not hinder, the benefit so eagerly sought by each and all, this human world over?

"'Yes, yes; I see, I see; no man can live to himself alone.

"'The day of the aristocrat is passed.

"'Democracy is taking all things at the flood, and must ride on to fortune.

"'But what see I myself beholding?

"'A vast multitude,—the great public,—needy, lacking wisdom, lacking understanding.

"'And yet this public is speaking as with the authority of the Most High. Enacting laws in the name of liberty,—despotic laws,—and enforcing them by all the appliances known to tyranny.

"'It is this public that establishes *legality*.

"'It is to this public opinion I have bowed, and said, "It is good enough for me."

"'Is it?

"'No!

"'By God, I will cease being the thing this ignorance and superstition, massed in popular opinions, has fashioned me. My brains are for my own use to cut a highway of thought to the very throne of Truth and Justice!

"'Hitherto I have done no thinking.

"'Henceforth my path shall be Thought-clear.

"'I have read the poet who sang:

> The world was set to order,
> And the atoms marched in tune.

"'I see, to use my own brains for my own benefit is to find the *harmony* in which mankind may live, move, and have their being.

"'No legality shall suffice.

"'No public opinion shall deter me.

"'Onward to the new goal!'

"Such the picture of yourself you may behold in the mirror of light.

"On some other occasion I will ask you to permit me to accompany you upon the journey onward."

II.

SOCIAL WEALTH CONSIDERED BY THE WAY.

My would-be capitalist was less impressed by my remarks than I imagined him to have been, for, when I called again, he exclaimed:—

"Your views are Utopian. The goal you would have all the world start for is an impossible goal. I read in my Bible, the poor are to be with us always. Riches and poverty are in ourselves. Property, houses and lands, and all visible wealth are the symbols of an inner and potent personality!"

The man's wife had brought in her knitting, and, as she was picking up a dropped stitch, she at this point dropped the remark:—

"He's been posting up."

But Smith (I didn't intend to tell his name, but it is out now, and no matter; nobody will identify him),—Smith heard it not. He went on with his elucidation.

"In other words, wealth,—to borrow the phrase of our church,—wealth is an outward and visible sign of an inward,—I can hardly say *spiritual grace*, as the church does—of an inward intellectual virility and moral power. On the other hand, poverty, squalor, rags, are the signs of a humiliating incapacity. That's what galls me, to own the truth; I don't get on with business enterprises. I strive to persuade myself that the turning-point has not yet arrived, that tide in the affairs of men which, taken at the flood, leads on to fortune. Then, I fear it's passed, or that I'm naturally stupid. But either way I insist I've no one to blame but myself."

"I don't know," said the wife, "that you're to blame if you're naturally a fool. Nobody is. The blame lies higher up."

"You see my wife is Ingersollian," Smith responded,

"Yes," she replied, "John's got all the religion there is in *this* house."

"It's a singular house in that respect," said I; "religion usually is woman's prerogative. The men for the most part eschew it."

"They may think they do," said Smith, "but when disaster overwhelms them, they're quite as humble as the women. They get religion, or they suicide. *I* prefer religion."

Smith smiled.

The wife nodded her head, and looked wise.

"Now," he continued, "I admit the laboring class have grievances that call for redress. But let them put religion in the place of dynamite. Let them convert their oppressors, not blow them up. Blowing up does no good. Another set is already to step into their shoes; they'll spring up out of the nature of the case over night, like mushrooms."

"They'll be afraid to, by and by," said Mrs. Smith.

"No, they won't. Men will risk all for wealth or power. Look at the Czar of Russia."

"His day will come yet," exclaimed Mrs. Smith; "I hope it will. There's no religion going to take hold of that despotism. It's got to be blown into shivers every time it shows its ugly head."

"Now, don't get excited."

"Don't get excited? Read Kropotkine, and if *you* don't get excited, there'll be no excuse for you. You ought to be blown up yourself. The horrors of Siberia and the journey there are infamous beyond comparison. Imagine the most terrible cruelty, the blackest crime, and compared with this reality, you will paint twilight for total midnight darkness. I'd like to read of a Czar's death in every morning's paper; 'twould give me a relish for breakfast."

Smith was not a little annoyed at this outburst. He would have replied sharply, but forced a smile into the hard lines of his mouth and said nothing.

I remarked that the Siberian exile had every reason to hate the cruel Czar, and the Russian people were justified in whatever method of revenge or relief they could devise. I had no doubt a despotism so grinding—itself a life-long assassin—deserved only assassination.

"A monstrous doctrine!" said Smith.

"True as gospel!" exclaimed Mrs. Smith.

"But," I continued, ''we are forced to leave Russia to itself, and attend to matters nearer.

"There is no discounting the liberalizing influence the American Republic has had on the political condition of Europe, in stimulating the aspirations of the people toward emancipation. They have idealized our situation, and through their imagination have no doubt pictured us as even better off than we are. They see liberty here carried to its fullest proportions,—I mean the mass of the people. There is a growing conviction with a steadily increasing number that the United States have halted in a precarious situation, that they cannot remain where they are; they must go forward or backward."

"Are we not going forward every year, increasing in population and wealth?" cried Smith.

"Who's got the wealth? You haven't," exclaimed the wife, rather snappishly.

"No doubt," said I, "but there has been an increase of wealth, and also of population; but the problem of the future remains. The wealth is insufficient, and the only contribution the increasing population brings is in the additional clamor made for a settlement. If affairs were rightly adjusted in a country like this, there could not be too many people; but the present system of things calls for a reduction of population. Not only is there an army of idlers here, but those employed are working at what may be called cut-throat wages. You see working people sticking to their places with

desperation. For just across the road sit idlers by the hundreds, crying: 'Grumble if you dare we're ready to step in, if you step out—for a crust of bread, if it comes to that.' The labor market is overstocked. 'There's room higher up,' said Webster. But if all people rushed to that 'higher up,' the same disproportion of supply to demand would ensue that now confronts the country lower down so to speak. This term 'higher up' is misleading, and needs comment, but not now.

"What do you say to the following as a statement of what society wants? But, remember, when I say that society wants this or that, I mean a society well and successfully constructed; that social state in which all people shall have the opportunities of liberty, wealth, and happiness."

"You do well to put in *opportunities*," said Smith, a smile of satisfaction flickering across his face; "if people improved the opportunities they *have*, they'd be tolerably well off."

Mrs. Smith looked up with wide-open eyes, and asked, solemnly, "Why don't you begin?"

I hastened to relieve the situation.

"I know," said I, "in a sense it's manly or womanly for one not to go through the world whining, berating circumstances and surroundings, and throwing blame on everybody else's shoulders but his or her own. Better cry with Hamlet, 'We're errant knaves, all! Believe none of us.'

"And yet, we're *not* knaves, absolutely, the worst of us. The trouble with us all is that we do not find ourselves rightly related one to another. There's a barrier to harmonious social intercourse, a something nagging, irritating, stimulating us to individual antagonism.

"The question is, how to construct this society, the social welfare of all, how to carry it forward and upward to a high plane of intellectual development and physical comfort for all.

"Let me remind you that human nature is something somewhat marvellous to contemplate. Seward used to repeat, 'The study of human nature is the unending problem; the cause of human nature the one sacred theme.' I quote from memory; but that was substantially the idea. 'Our fathers,' he said, 'consecrated this country to the cause of human nature.' He might have added, as they understood it. Just as Jackson swore he would support the constitution as he understood it, so the fathers could only devote themselves to the cause of human nature as they understood it.

"But human nature is a flower that is unfolding.

"Who has seen the perfect blossom? If it has blossomed in individuals, it has not in the race.

"What we seek is a race-blossom.

"There is somewhat in the Old Testament idea of God's sparing a city for the sake of the ten good men found therein, and in the Orthodox idea of his forgiving sinners for Christ's sake, who is said to have been sinless.

"It is a feeling after a truth.

"The ten good, the one sinless, vindicate human nature, show its possibilities and its probable destiny in all human beings. And we may well enough suppose that, if there is a god,—who originally made human nature at a venture, but remained in ignorance of all the wonderful possibilities that lurked within it,—should he chance upon some very choice specimens of individuals in city or world, showing what the nature he had created and lodged in human beings was capable of, he might become very tolerant and patient with the so-to-speak many million buds not yet blossomed. Even *one* Christ-blossom would be an encouragement. He would neither destroy *that* world by flood or fire; but wait,—a thousand years in his sight being but as a day.

"Now, practically speaking, in the management and development of social character and social conditions on this our planet, we—the human nature that is in process of development—are set to exercise the same providential patience and forgiveness, but also to give the providential impetus.

"I will not say that human nature is a machine that runs itself; but rather, that it is a plant that has a self-conscious and self-directing growth.

"If there be a god revealing his will, it is only by his own incarnation in our natures. But I do not need to discuss that point. *Practically*, as I said, all the world believes it has its destiny in its own hands. Sane men everywhere know that no god will stay them if they will cast themselves from high mountains, or plunge into deep waters, or walk into a den of lions or a fiery furnace.

"Nor will he raise a spear of grass to their mouths if they are starving.

''Nor will he rush to the defence of the helpless against the oppressor

"All, all, must go on as man himself ordains it.

"But!—

"He must pay the penalty for ordaining evil.

"The law of self-preservation is soon announced. The burnt child dreads the fire.

''Thus on the ladder of experience, one round after another, he mounts.

"How high up do you suppose he has climbed, Mr. Smith, in this year of grace, as you would say?"

Smith looked down thoughtfully a moment; then, raising his face with a smile, he said:

"High enough not to expect a millennium—day after to-morrow."

"Who said anything of a millennium day after to-morrow?" the wife quietly asked; "if he has to grow into a millennial state, there's no *expecting* about it. It isn't in its teens yet, let alone coming to a man's estate day after to-morrow."

"Thank you, Mrs. Smith! Her mind, Mr. Smith, is less encumbered than yours. She is not preoccupied with visions of a millionaire prosperity as you are. Hence, she isn't captious and disposed to saddle others with illegitimate inferences. I have said nothing about time, as to whether we are near or far from a millennium. See if you can't take a more dispassionate view; put self aside, and regard for a while the race. You'll find, let me tell you, that yourself will be quite as well provided for when other selves are respected and honored.

"I was asking merely how far up our experience had carried us? Have we reached the point where we realize that we must have regard for all men's interests in order to advance and secure our own? I think that idea has at least dawned, both for this country and the world.

"Humanity over the whole earth has come into close alliance and neighborhood.

"We have the word 'universal' and are applying it in ways too numerous to mention.

"Now, our business is to find out what it means carried out in all directions honestly and fearlessly.

"It is the cause of *universal* human nature which the new era proclaims.

"We demand a social state founded in Liberty, Equality, Fraternity.

"But we have branched off from my original question in a strange, but perhaps not unprofitable way.

"What do you say to the following statement of what society wants?

"Society wants:

"*I. The just reward of labor.*

"*II. Security of person and property.*

"*III. The greatest practicable amount of freedom to each individual.*

"*IV. Economy in the production and uses of wealth.*

"*V. To open the way for each individual to the possession of land, and all other natural wealth.*

"*VI. To make the interests of all to co-operate with and assist each other, instead of clashing with and counteracting each other.*

"*VII. To withdraw the elements of discord, of war of distrust, and repulsion, and to establish a prevailing spirit of peace, order, and social sympathy.*

III.

LABOR UNDER ITS OWN VINE AND FIG TREE.

Smith saw nothing new or startling in the social problem as stated at the conclusion of the preceding chapter.

"It's as old as the Christian Gospel, at least," said he. "The angels sang 'peace on earth' at the birth of our Saviour. What a transformation Christian preaching has wrought in eighteen hundred years!"

"Yes, goodness knows," exclaimed the wife, "there's been enough of preaching to have made seven worlds over. But I never heard a Christian preacher that didn't smooth over whatever besetting sin his rich parishioners indulged in. Of course that's where his bread and butter comes."

"They're not all that way."

Smith said this in a deprecating way as though he would be quite satisfied to avoid this and all other little tilts with his better half. Either he scorned to argue with a woman in the presence of others, or he knew by experience that Mrs. Smith had a way of attacking the weak point in his remarks, and was disinclined to encourage her in the practice. She however, could not knit without thinking nor think without an occasional outburst. In conversing with Smith one had to encounter a man with iron-clad opinions, which he had received ready-made. For himself he had done no thinking. He was, in fact, born on the premises, and had never moved off, or indulged himself even in the most harmless excursion. Mrs. Smith was not so equipped. She had a more original mind, and was disposed to see things through her own spectacles. "My grandmother's don't fit me; but John says he can see as well in grandfather's as in his own." Smith's business had

forced him into the use of "specs" at an early age. This was one reason why he wished to get out of it, and become a millionaire.

I found, on returning to Smith's to learn what progress he had made, that Mrs. Smith had been studying the several propositions I had left with them more attentively than her husband.

"I think," said she, "that they have a sound ring. I think the pinch comes on the sixth. '*To make the interests of all to co-operate with and assist each other, instead of clashing with and contradicting each other*.' How are you going to do it?"

Easy enough," said Smith, "or it would be easy enough if the laboring class would take rational views of the situation. They've only to allow capital and labor to work harmoniously; as you say, assist one another."

"You are making yourself more stupid than ever," retorted Mrs. Smith. "*Labor* allow! Labor has only to submit,—submit or starve. What is the purpose of capital? Plunder. I heard you not long since raging fearfully over the idea of some Frenchman—"

"Proudhon, you mean?"

"Yes, that was the name. You were enraged at his idea, quoted in the 'Herald,' that property was robbery. I see what he meant, and believe it's true as gospel. Property, that is, capital, is robbery. What is the capitalist at? His whole aim is to keep his help poor. Why? Because that is the way he gets rich."

"But doesn't he use his capital? Give them employment? What was their situation? They were starving. He takes his capital from other investments, puts it into a new business, says to the hundred idle and starving wretches about: 'Here, go to work.' He puts bread into their mouths, and clothes on their backs, and you call it plunder, do you? Oh, you see, sir, my wife is worse than you are. She's been studying your six propositions of peace, harmony, co-operation, withdrawal of discord, and so on and so on, with a sure millennium coming speedily, and this is the result: Every man who employs help is a robber. If he had said: 'I've enough to satisfy my needs to the end of my life; I'll sit under my own vine and fig tree and enjoy myself,' and left his fellows about him to starve, why, he'd have been a model man and no robber. Wonderful new views! Ha, ha, ha! What is the world coming to?"

"You see," said Mrs. Smith, "that is the way my husband raves. He will run on for an hour in the same fashion, never suspecting everybody else is not as stupid as himself."

"Thank you," said Smith.

"I say stupid, because he skims over the subject."

"And gets the cream," cried Smith, with the inimitable smile of satisfaction.

"A child could answer him. He thinks he's getting cream, but he's only taking the scum off a pan of chalk and water. Hence I say stupid. I went over this whole subject with him, yesterday. But he says himself he's an old dog and you can't learn him new tricks.

"'Now,' I said yesterday, 'there's nothing meaner than affecting a charity when you're filling your own pocket.' And that's just the game this wonderful philanthropist with capital is playing. He could sit under his own vine and fig tree, could he? How long? Won't the vine and the tree need tending? If he sits there and leaves nature to herself, he'll soon be overrun with weeds. His vines and fig trees are vines and fig trees because human labor has made them so, and human labor's got to keep them so. The man can't sit. He's got to work,—eat his bread in the sweat of his brow,—unless he has a few idle and starving neighbors. Then he can say, 'See here! I'm no hog. Come and do my work, and I'll see you don't starve.' Now he can sit under his own vine and fig tree. Labor will support capital and all capital's children. Yes, the whole family can sit under their own vine and fig tree, and plant new vines and new fig trees, and employ other idlers and keep them from starvation. And this can go on till Paradise opens,—in another world,—if labor will look at it reasonably and not disturb the harmony capital has established and is disposed to abide by forever."

"I don't see why it should not," said Smith, with emphasis.

"Simply because labor wants a vine and fig tree itself."

"Let it save up enough to make a start for itself."

"Turn itself into capital?"

"Of course, of course; why not?"

"And sit under its own vine and fig tree?"

"Exactly."

"And there shall be no more labor,—only capital?"

"Why, if it should come to that, yes. That is, if it be possible for capital to sit under its vine and fig tree, and have no demand for labor; but, you say, it can't; and it's true. The fig tree, so to speak, will turn to weeds. Labor is required to keep it productive. But you, as I have been seeing all along, have made one seemingly trifling mistake; but the mere mention of it will upset your whole theory."

"Now we approach a catastrophe," said Mrs. Smith, quietly. "Go on, my dear."

"Your dear has only to say that you have assumed that the man with capital who employs men without capital to help him keep his vine and fig tree in good producing condition is not himself also a laborer. He plans, superintends, studies ways and means, takes all the responsibility; his brain is always at work, and he is awake and troubled, more than likely, when they are asleep. Talk about his sitting! Why, he is always on his feet, and does more work than any three of them. A man with ten, twenty, fifty men at work for him has no time to idle away, I can tell you. That's your mistake in taking for granted that the capitalist who keeps his capital active and employs his fellow men can himself be an idler."

Smith concluded triumphantly. You could see it was his opinion that he had crushed his wife. So he settled back in his chair with the air of one who thought nothing further could be said.

The wife, however, was not crushed. She was about to speak, when I interposed to say I was glad Smith had used the term capitalist instead of capital.

"He was driven to," exclaimed Mrs. Smith. "You see that was just where I was bringing him. I agree with you. At this point capitalist is the better word. John was forced to use it to save his eloquence from confusion. I had only taken up his remark that the laboring class should allow labor and capital to work together harmoniously, and have brought him to this.

"1. Capital could sit under its own vine and fig tree and snap its fingers at labor. But no; out of the goodness of its heart it said to labor, 'Come and work in my vineyard.'

"2. When I show him that capital can't sit still and snap its fingers at labor, but is dependent on labor for its preservation, he turns and says that capital doesn't sit still, but is up and doing,—is itself a laborer. Instead, however, of saying capital labors, he says the capitalist labors. He puts in a plea for brain-labor, which, of course, I allow. The capitalist labors in planning and superintending the business

"Let me see if I can remember how I stated the case to myself yesterday. It was something like this:

"Capital perishing.

"Must be used, taken care of, or it will perish utterly.

"Nothing can do this but labor.

"If the capitalist, or owner, cannot care for it alone, he must *summon others to help him*. Twenty-nine others, say; himself making thirty.

"Now, whereas the capital without the aid of the twenty-nine, to say the best for it, would have remained as it was, but, with their help, has increased thirty fold, what proportion of this increase belongs to the capitalist and what to the laborers?

"If each man employed in securing this increase did the same amount of work, why would it not be just for each to claim his one-thirtieth?

"But the capitalist does as much work as six others. Doubt it, but, for the argument, grant it.

"Then let him take one-fifth of the increase, and divide the remainder equally among the others.

"Here is equity, equality, fraternity. The salvation of the capitalist, who has provided himself with opportunity to work to advantage. He has saved what he had and added thereto by his own toil. It is also the salvation of the twenty-nine who have been enabled to save somewhat of the wealth they have produced.

"A mutual benefit, without charity, on strictly business principles.

"Why shall I not now quote your proposition VI?

"*To make the interests of all to co-operate with and assist each other, instead of clashing with and counteracting each other*.'

"What now have we?

"Labor under its own vine and fig tree!"

IV.

NEW HARMONY: DARKNESS – DAWN

"Well!" cried Smith, "when I married my wife, I didn't suppose I was marrying a whole reform club, a Utopian dreamer, a comrade of Herr Most!"

"Who is Herr Most? What do you know about him?" the wife asked.

"Oh, I've seen plenty of squibs in the papers about him. He's the man who would set the world afire, if he could."

"I rather think," said I, "that you have no further relish for the argument, and so adopt the method of the 'Herald' and other papers, - you fire silly squibs. Of Herr Most, I know little. He's infuriated, perchance, and may propose heroic treatment; but, while the condition of mankind remains as it is, one forgives the wildest proposition for its relief. I venture, on

investigation, Herr Most turned inside out would present a far more interesting spectacle than Vanderbilt."

"Pshaw!" said Smith, with an air of disgust, "there ought to be a Bastile for such fellows as he."

Then he turned on me his red face, and said in suppressed tones:

"Do you believe in assassination, in fire, in murder and arson, in reducing the world to ashes, laying it level to get a place to set up your thrones in?"

He was lapsing into one of his old-time fits of passion.

"For all the world," said his wife, looking up, "you look yourself at this moment the very embodiment of all evil. There's murder and arson in your eye. How many worlds you would upset and destroy, if you only had the power!"

Smith was mad and disgusted. He reached for his hat, but I checked him, and persuaded him to remain quiet, remarking:

"Let us put all else aside now, and consider what your wife was saying. Is there any objection to the proposition that labor should sit under its own vine and fig-tree?"

Smith calmed himself, and said:

"Everybody has a right to his own; to the honest, legitimate fruit of his labor. But you seem to think, if a man happens to be a capitalist he forfeits that privilege."

"I see," I responded, "you do not begin yet to understand what I have been driving at. And I doubt if much is gained by discussion or controversy. It is a good deal this way. Two men start on a journey. They go a little way together, and then come to a fork in the road. The road divides and branches out right and left. One keeps to the right, the other cries 'this way,' and keeps to the left. While they are in hailing distance, they keep shouting to one another, disputing which is the right road."

"What *should* they do? Ought the fellow going left to whirl and go right, follow the other where he was pleased to lead, without a murmur?"

"Suppose the fellow going right should say: 'That road to the left is the old road. It is not only a poor road in itself, but it brings up at a poor place. It brings up at the old place of unsatisfied want, misery, and degradation. Come with me and I will show you a better road, and a goal of peace, prosperity, and happiness."

"In your mind's eye, you mean."

"Exactly," said I; "all things are first in the mind's eye. You believe in a Creator of the world. Before the world was, where *was* it! In His mind's eye. That is, believing as you profess, you should so say. The American Republic! where was it before the Revolution? Our fathers founded these institutions of freedom, we say. It was in their mind's eye. Yes, Mr. Smith, all things are first a dream. Gradually the dream takes form and shape, becomes a rational, practical, working reality. We are so constructed that we are at first afraid of our dreams, our prophetic fore-gleams, our New-world visions. Some Columbus, rapt and undissuadable, sails until fear and doubt and disbelief are annihilated. The new world that lay in his mind's eye is beneath his feet.

"Now, Mr. Smith, turn to the right with me, and let us see what has been discovered in this direction. Let us travel—in our mind's eye—to the new city, the Zion set on a hill, where Righteousness and Peace, in your Bible phrase, have kissed each other, where, in my own plain speech, Liberty and Wealth are universal, and the people rival one another only in great and beneficent achievements.

"To the city I speak of I have already been traveling this same road. Shall I tell you my experience?'

"Oh, certainly; it will doubtless be interesting," Smith replied, in a resigned sort of a way.

"I shall be delighted," said his wife.

This was encouragement enough. Smith might make wry faces to his heart's content. I continued:

"When I drew near and came within view of the City, I turned and saw sitting by the wayside, on a boulder beneath a sheltering tree, an aged man. He was so simply and plainly dressed, I, at first, regarded him as a tramp, some outcast from the hive of industry beyond. But the peaceful face he turned to meet my gaze dispelled the thought. So I drew near and asked:

"'What city lies yonder?'

"'The City of New Harmony,' was the quiet reply, given in soft and pleasing tones; 'have you traveled far?'

"'Yes, from the City of Discord,' I replied.

"'Ah! a long ways indeed; sit down and rest yourself. There is a spring near by. I will give you a drink. It is the water of the river of life from which, if a man drink, he shall never thirst.'

"'You are a mystic,' I said, 'and clothe your thoughts in vagueness. But, if I catch your meaning, I am in truth weary in spirit, and my soul is

athirst. I will rest me, as you invite, and you shall tell me of the city we see beyond. Why is it called New Harmony? Doubtless you know its history.'

"'O, yes,I know its whole history. You see I have passed the allotted time of life, and I was but twenty-five when I came to this place. I was here almost at the beginning. It is a long story, but there are two good hours till dark. I shall weary you, I doubt not, for it seems an endless theme to me. I never know when to stop. But I leave it to my listeners to stop me. Speak, ere you faint.'

"Smiling, I bade him go on without fear for me.

"And this is the story he related:

"'I came hither almost at the beginning, responding in person to a chance summons from Robert Owen. A circular of his reached me in a distant part of the Union. To my wife I said: "It is what we have been dreaming of." We broke up our home; I left my business. We were surprised by the number of learned, refined, and generous-minded people we met here. Every profession was represented and all the trades. One common purpose seemed to animate men, women, and children. They had set themselves to found a common home,—a community of equal burdens, equal privileges, and universal happiness. Co-operation was their watchword. We were strangers, but we were received as human beings. "Husband, have we come to Paradise?" my wife asked. I replied: "We will wait and see." The company numbered in all some two hundred and fifty souls. They had brought provisions for the first six months, but they were generally poor. Owen was a man of wealth, and promised to help along the enterprise until it got into good working condition. When we arrived, they were holding daily sessions to form a Constitution of Liberty.

"'But, alas! weeks wore away, and finally months. The task seemed hopeless. At heart they were all in accord. But intellectually they were wide apart. They had had a good time; it was a sort of pic-nic. But no result in formulating a new society in which *despotism* should be an unknown factor could be shown. Neither had the ground been broken; no seed planted, no harvest could be reaped, and the summer was gone. Six months of fruitless discussion ended in their placing themselves under the absolute dictatorship of one man,—Robert Owen. Everybody was disappointed, of course; but they yielded to the inevitable. No one felt a keener disappointment than Owen himself.

"'He took the helm bravely, and managed with an eye single to the common welfare. But it was to no purpose. No fault was found with him, but

the people had failed even to go in the direction of their ideal, and they gradually fell off, returning, most of them, to their old homes.

"'Three years had passed, and I said to my wife: "Have we come to Paradise?" "Not exactly," she replied; "it is rather a prolonged pic-nic."

"'I was so depressed in spirit, I told Owen it seemed to me this world was made on a wrong plan. The author of it might have succeeded with other world-experiments, but he had certainly made a failure of this. Owen shook his head, and replied: "The fault is not in our stars, but in ourselves." He then announced his purpose of returning to England. He bade us goodbye, the few who remained, and took his leave. Wife and I sat down and cried like babies. I started out to calm my feelings, and found wherever I went that tears were in fashion. The whole neighborhood—sixty-one souls—sat in utter despondency. To make our desolation blacker, a three days' storm set in. The winds howled, the rain poured; the days were as dark almost as the nights.

"'But, when nature smiled again, our courage revived. A reaction set in, and we shook hands as we met each other from house to house.

"'We're not dead yet," cried one man; "perhaps our number was too large for a start. There's *some* brains left. Let's use 'em. Put in a good crop now this spring, fence in our pasture land, fix up our houses, improve the roads, make sidewalks, work at our trades, keep up the school for the children, and use Sunday for reading and general improvement, Let the Constitution of Liberty *grow:* we never could make one in God's world."

"'We all laughed at this outburst. But it was sound advice. We did precisely as he had suggested. The result was the next autumn found us in a most hopeful and flourishing condition.

"'We had not a rule, a constitution, a by-law, a jail house, a poor house,—the last in no sense of the word,—nor an asylum for insane. But we had greatly improved our public building, and increased the library many volumes. Mind, we did not even have a *librarian;* everybody helped himself or herself. We established a reading-room. Owen sent us several periodicals with every mail. We gathered our harvest, and were amply provided for the winter.'

V.

NEW HARMONY: LIGHT.

"The old man paused for a moment A smile of satisfaction played across his face as he glanced in the direction of the city.

"'You will pardon me,' he resumed, 'if for a moment I indulge a feeling of pride. Never can I recur to the dawn of our long, bright day but the joy of that awakening moment thrills me again: rejuvenates me, so that I almost long for the divine elixir that I may become young, and live my life over again. It is so great and satisfying a pleasure to have lived and been associated with the greatest achievement the world has known. My dear sir, what can be nobler, what aim higher than that which seeks to place the whole human family on a pedestal of power, with mutual respect, a common prosperity, and liberty—that inspiration of all achievement that is great and glorious in human existence—assured to all, even the humblest!

"'But, enough of this! Let me stick to my story.

"'I said we were prosperously situated for the winter. Indeed, we had enough and to spare. But we were not idle. We all agreed it was best to put in at least four hours each day at what we might call work. The rest of the time we devoted to study, to pleasure, each, in fact, following his or her own inclination. One day I said to my wife: "Is it now Paradise?"

"'"No," she replied, "Paradise ought to mean something possible for all the world. We get along so well because we are all so well acquainted, and have passed through a common experience. Our trials have united us as one family. But let Tom, Dick, and Harry—I mean the good, bad, and indifferent of all the world—come here, and I fear the whole of us would be by the ears again."

"'Something like this had been the thought running through my own mind. So I said to others, as I met them: "Isn't it about time to consider ourselves and our prospects a little further?" But it seemed to be the general opinion that we better let well enough alone. "Do the thing next needed," said the same man who had given us the suggestion that saved us the spring before, "and don't look ahead too far."

"'But it happened not long after that the thing next needed was to settle the very question wife and I had pondered. A party of twenty strangers came in upon us, and wanted to settle and live in New Harmony. We had done no advertising; no reporter had been to see us; but these people had

heard of us, and came one thousand miles on faith. They wanted to see our constitution. They asked about our principles, our politics, and our religion.

"'I ought to confess that our happy family was thrown at once into a state of excitement. The old Adam cropped out in a number of ways. The croakers began. Evil days were before us; let them go by themselves, and form a community of their own, some said. This, however, was contrary to all our better instincts, and low prudence and caution soon gave way to a determination to solve the problem of expansion then and there. We needed a spokesman. All eyes turned to Joseph Warden. "Do the thing next needed, Joseph," I exclaimed. He invited the new comers to join us all in our public reading room. He took a seat, and we gathered about him: For a little time we sat in silence. Then Warden asked the visitors to state their purpose in coming. One of their number replied that they had understood that New Harmony was a place where the people had all things in common. It was Scripture doctrine, and they were Christians. They wanted to join a society in which private property was unknown.

"'At this point Warden smiled and said: "Then you have made a mistake in coming here, for we have somehow felt from the beginning that private individual property was a real and a sacred thing. I don't know that any of us ever said so before in so many words. The question has never arisen."

"The man replied that he was somewhat astonished, in fact, much astonished, at such a declaration. But he would like to be instructed in regard to New Harmony and its institutions. He felt strongly that there must be some kind of a Providence in the journey of himself and friends. Perhaps their coming was not a mistake. If they knew just what the people of New Harmony did propose, what they believed in, they could judge the better.

"'Wife whispered to me: "He's the man to frame constitutions, and so on."

"'I smiled. Warden caught my eye, and looked himself much amused.

"'"Well," he said, the smile still lingering in the corners of his mouth, "we are in one sense, my friend, a poverty-stricken people. We haven't any institutions to speak of. All we can boast are certain outgrowths of our needs, which, for the most part, have taken care of themselves. We have, perhaps, an unwritten law, or general understanding, though no one to my knowledge has tried to state it. We all seem to know it when we meet it, and, as yet, have had no dispute about it. It may be said in a general way, however, as a matter of observation, that we are believers in liberty, in justice, in equality, in fraternity, in peace, progress, and in a state of

happiness here on earth for one and all. What we mean by all this defines itself as we go along. It is a practical, working belief, we have. When we find an idea won't work, we don't decide against it; we let it rest; perhaps, later on, it will work all right. I don't know as there is much more to say."

"'The man was evidently disappointed. Warden's talk seemed trivial to him. It gave him the impression, he said, that the people had not taken hold of the great problem of life in a serious and scientific manner.

"'Warden replied that, if the gentleman would define what he meant by the terms serious and scientific, they would be better able to determine the matter. If he meant by serious anything sorrowful or agonizing, they would plead guilty; in that sense, they were not serious. If their life was declared not scientific in the sense that it was not cut and dried, planned, laid out in iron grooves, put into constitutions, established in set forms and ceremonies, he was right. They had neither seriousness nor science after those patterns. "But we have," he said, "a stability of purpose born of our mutual attractions and necessities, and a scientific adjustment, we think, of all our difficulties as well as of our varied enterprises. Always respecting each other's individuality, we apply common sense to every situation, so far as we are able."

"'The man responded that they were not there to question the earnestness of purpose or the practical intelligence of the citizens of New Harmony. Far otherwise. And yet, it did seem to him, so novel was their plan of organization, that it was little more than a rope of sand. There seemed to be nothing binding or stable in its character. In that respect he must say they were disappointed. But for one he should be very glad to dwell in New Harmony for a season, at least. He turned abruptly to his companions and said: "All who are with me in this, please raise your right hands." Every hand went up.

"'Warden smiled, and said he hoped their stay would be a common benefit.

"'There being no public house in the place, they had been entertained at private residences since their arrival.

"'It was the Rev. Mr. Sangerfield who had been put forward as their speaker. He was a large man with an iron cast of countenance, and spoke with great moderation and precision. Somehow we none of us quite fancied him, but then, he was in the world, as my wife said, and it was our business to be able to live on peaceable terms with all sorts of people. We couldn't expect our seclusion to be forever respected.

"'The reverend gentleman consulted awhile with the others, and then rose and said that he had a few questions to ask by way of information. In the first place, as they proposed to *settle*, for one year at least, he would like to inquire as to tenements. He had noticed several unoccupied houses; were they for rent? That was the first time the word had been used in our midst. It created quite a sensation. In fact, we all laughed. Sangerfield looked embarrassed, but Warden explained that the idea of *rent* was new to them. The parties who built the unoccupied houses had gone, and anybody was free to occupy them. It would be only right, though, to keep them in repair, and leave them in good condition.

"'Sangerfield said he should suppose that property left in that way would be appropriated by the town, become public property. That was the usual custom.

"'Warden replied with a smile that the usual custom had seldom been adopted in such matters at New Harmony. There was no public property.

"'"Indeed!" Sangerfield exclaimed. "Whose property is this building we are in? Is it not the property of the town?"

"'He was informed that it belonged to one Simeon Larger.

"'"Oh! you rent it of him?" said Sangerfield.

"'"No, not exactly;" said Warden. "He is paid for the wear and tear of the building, and for his trouble in taking care of it."

"'"Who pays him," Sangerfield asked, "if not the public? How do you raise the money? Impose a tax?"

"'"We tax ourselves voluntarily. There is no trouble in that respect. Everyone is free to contribute according to his or her means. It is *one* of the points we think we have *scored in behalf of Liberty*. And here let me say that all property in New Harmony is private property. Everything has an individual owner, and is under individual management. Everything represents so much labor. We know just what it has cost, and if the individual parts with it in any way, he is recompensed according to his sacrifice. He receives either so much other property, or a labor-note secured by property that has so much labor-value, or a note promising so much labor."'"

VI.

NEW HARMONY: SUCCESS.

"I noticed as I passed along the streets that there were few blocks of houses, or homes crowded together. Each had ample space surrounding it, but no fences anywhere appeared. Gardens, separated only by some slight hedge or path, were to be seen in the height of cultivation.

"My companion's home was on high ground overlooking the western slope of the city. He showed me at once the commanding view possible for all the dwellers on that side of the hill.

"The family consisted of himself and wife, and a young lady of intelligence who was introduced as his granddaughter. Tea over, we adjourned to the library,—a well-furnished room, the walls being lined with books.

"'I keep a sort of circulating library,' said he: 'those who wish come on certain days for what they want. It was accumulated gradually for my own needs, but I do not care to keep the books idle, as mere curiosities, and I have in a sense passed by them.'

"Miss Arkwright, the granddaughter, remarked: 'Grandfather isn't a bookworm himself, but he seems to prescribe books as a sovereign remedy for everybody else.'

"Further conversation followed, but soon the old gentleman desired to continue his story. His wife observed she had heard it the thousandth time, but kept up her interest, and she sometimes had to correct John in his facts.

"'And I,' said the granddaughter, 'have to watch them both to see that they don't improve upon it from year to year.'

"'Let me see,' he began, 'I had got where Sangerfield and his party proposed to settle with us, and occupy the houses as abandoned property. Somehow they didn't "catch on," as the boys say now-a-days, very well to our ways and customs. It took them some weeks to face about and see that we as a rule started from a standpoint almost the reverse of theirs. Individual sovereignty was so new an idea to them, even the logical Sangerfield was often far astray. And what astonished him more than all else was the fact that even our children could almost look over the sides of their cradles and put him right. He quoted the Scripture himself, "A little

child shall lead them," and again, "He hath withheld it from the wise and prudent and revealed it unto babes and sucklings."

"'One day he went to Warden, and said he thought, as the community was growing, there would ere long be a pressing call for a criminal code. There should be a catalogue of crimes and penalties, so that, in the event of trespass, no one could plead ignorance of the law. In the nature of things there would undoubtedly appear at least one Judas to every twelve disciples, or some Cain who would compel the rest to drive him from the face of the earth. Why should we not be ready for all emergencies?

"'Warden smiled and replied quietly: "Sufficient unto the day is the evil thereof. I would not catalogue either crimes or virtues. Let us, as Paul advised, avoid the snares of the law, and stand fast in the liberty wherewith we have been made free. Let as speak the truth from day to day in faith, trusting human nature under the sway of humane sentiments, expecting good results. Behold a new truth:

> A truth which is of knowledge and of reason;
> Which teaches men to mourn no more, and live;
> Which tells them of things good as well as evil,
> And gives what Liberty alone can give.
>
> The counsel to be strong, the will to conquer,
> The love of all things just and kind and wise,
> Freedom for slaves, fair rights for all as brothers,
> The triumph of things true, the scorn of lies.[2]

"'"If we detail the vices and crimes of the ages post, we shall do more harm than good; offer suggestions to innocence. Prohibition will find antagonism, and create the disposition to do the very things that are forbidden. There is a great deal of philosophy in the old adage, 'forbidden fruit is the sweetest.'"

"'Sangerfield was always disturbing his own peace of mind with some vision of impending evil, and framing a law to avert it, or to punish the imaginary offender. Finally a case occurred. His own son, a youth of twenty years, grossly insulted a young lady, and would have proceeded to violence, but that he discovered some one approaching. Sangerfield's grief and dismay were soon drowned in a realization that the opportunity had arrived

[2] From Wilford Scawen Blunt's "The Wind and the Whirlwind."

for him to vindicate and enforce his hobby. He came forward for a Roman father's triumph. He called for jail, courthouse, judge, and jury. The offender must be dealt with without mercy, and an example be set for the rising generation. He insisted so much that finally a meeting of all the people was summoned, a sort of general court. Sangerfield brought his prisoner, and made a great speech. The boy had struck at a father's heart; but that father, who could forgive an only son for almost any personal grievance, could in no case swerve one iota from his duty to society. Let the criminal be held to strictest account. Warden said he appreciated the readiness of Sangerfield to deliver his own son up to judgment, but he thought it was too late in the day. Judgment had already been passed. The young man, in a moment of passion, had lost his reason, and he must be aware that the act was universally condemned. Perhaps no one would more strongly denounce his conduct than he himself would. The punishment, too, was already being inflicted by the altered change of feeling toward him. Go where he would, meet whom he would, he would meet some one judging his deed and condemning it. It would be a work of time for him to reinstate himself in the friendly regard of the community. Shutting him up in a prison cell would be a release rather than a punishment. No, let him go free and face his act, and live it down. No one but would forgive him when he, to quote the Scripture, did "works meet for repentance."

"'The result was the young man went about his business, and gradually the affair was forgiven, if not forgotten. He is living now, and is one of the best, most earnest and influential men we have. But the old gentleman never got over his disappointment.

"'Our community now numbers seven thousand souls, and our government consists only of a few patrolmen for the evenings, who look after the boys, allay disturbance, or take some very unruly fellow to his own home. We have found this arrangement sufficient to serve all our needs. Society here is *protected* in other ways,—by our industries, our habits of forbearance, and the democratic respect for one another which our state of perfect freedom inspires. We make no professions, but we for some reason instinctively strive to stand well in one another's esteem. Our whole life is a constant school in that direction. About every kind of business known in a city of this size is carried on here. Our motto is: LABOR FOR LABOR. We have a bank which issues the money current in all our local transactions. In our dealings with the outside world we have of course to

use the world's money. You may be interested in our banking system. If so, I will tell you something about it.'

"I replied that I should like very much to know how their bank was managed; also how business generally was conducted, especially where a large number of hands were employed in one concern. In fact, I wanted to understand as thoroughly as I could the whole working of their industrial system.

"'Well,' he said, 'to-morrow you shall go and see for yourself. You can visit the banks, the several stores, and the large manufacturing establishment just down the river, where three hundred or more men and women are at work running the looms of the mill. It is what you would call a cotton factory.'

"'What about your schools?' I asked. 'Have you a common school, or free school?'

"'Oh, no,' Miss Arkwright broke in, 'in this city of freedom there's nothing free, in *that* sense. Everybody pays for what he gets and takes his choice. The nearest approach to a common school is Phillip Morse's, and he gets so many pupils because his is the best managed and the cheapest. Some, however, like Sarah Baker's school best, and are willing to pay more, thinking it superior.'

"I said that I supposed they had established a uniformity of prices. If it was 'labor for labor,' why should one school be dearer than another?

"The old gentleman turned to his granddaughter, as though he expected her to continue the conversation, and she responded:

"'Oh, for that matter, everyone is perfectly free to set any price he pleases on his services, and so, on the other hand, everybody is free to call on him for his services or not.'"

"Why," Smith exclaimed, interrupting my recital for the first time that evening, "that is precisely as it is here and everywhere. Competition settles the thing."

I replied that the same thought was running through my mind, but that Miss Arkwright went on without any suggestions from me to explain that in the absence of laws securing monopoly us a privilege, competition being thus left free and unshackled, the equitable price was uniformly reached.

VII.

NEW HARMONY: ITS INSTITUTIONS.

"I passed the next day in sight-seeing. To a casual observer, New Harmony presented in its outward appearance nothing to suggest that it differed materially from a hundred other towns of its size dotting that and adjoining counties. True, there was a certain individuality in the style of its houses, and a little more of method, perhaps, in the general structure of the place. One thing the city had managed to secure which John—the old gentleman, whose full name I learned only at breakfast that morning—John Meredith pointed out with pride. It needed no index finger, however, to call my attention to the happy foresight which had provided so large and beautiful a park in the very heart of the town. But it proved to be an afterthought, after all, as the old man explained. The credit, he said, belonged wholly to young Sangerfield, whose early misdeed he had related the evening before. It was he who suggested that the spot should be dedicated as an open common for themselves and their heirs forever. In this way he made perpetual atonement for the past.

"'But who cares for it?' I asked, 'and keeps it in such good condition?'

"'Sangerfield did for twenty years,' was the reply. 'You see yonder box on the old elm? That's the contribution box for the common. Every spring the keeper announces the needed expenditure and the amount of individual assessment, as near as he can calculate, and I do not remember that there was a failure to respond but once. Then, there was some proposed improvement the people disliked, and they withheld their money.'

"I asked him to explain what he meant by dedicating the common forever. Was it so fixed that the generations to come could not convert it into building lots, if they so chose?

"'Oh, by no means!' he exclaimed; we can do that to-morrow, if we please. We think future generations will know what they want as well as we do. If they don't, it's not our concern. We don't bind ourselves even beyond the year's contract.'

"'Suppose some one should take a notion to build a home or a shed there. Would he have a right?' I asked this only to bring out his full meaning.

"'He would have no equitable right. Let me tell you one thing, as a matter of experience. Under our system everybody is put on his good behavior. He has, moreover, a pride in the matter, not to be intellectually wrong in

asserting his rights. You see, our social relations are a constant problem, new complications arising which are to be solved by our rule of freedom and equity. A man is ashamed to get beaten in the game, so to speak. Our people are made by this constant exercise of their intellectual faculties quick-witted; at the same time, as you can readily see, they are likely to have a steady growth in their morals. We claim we have struck the idea of self-government in its truest and simplest form. We have equal opportunities, equal burdens. We have no *artificial* inequalities to contend against. Even those which nature has preordained are softened and fall into harmony instead of discord. One might imagine there would be danger that the superior minds would take on aristocratic airs and cause ill feeling. But, practically, the reverse has occurred. It is one of our most cherished notions that superiority in any department is to be recognized and cherished. We divide according to our natural gifts. Each strives to do the thing he feels himself fitted for, and, as work of all descriptions is regarded as honorable, very little trouble arises. I might go on in this strain, but we must walk along. We will call at Wright's store, at Farnham's bank, and Glover's factory. These will introduce you practically to our ways of doing business.'

Wright turned out to be a quiet sort of a man. He kept open books. Whoever chose could see what he paid for things and what were his running expenses, including all cost, wear and tear, and outlay of whatsoever kind, adding to this the amount of personal labor required for the management. This sum total was distributed, in fixing the price, over the principal articles of sale. It was rather a nice calculation and required a special talent. Several had essayed it and failed. Wright had taken this store from one Simpson, who was really the originator and the most successful operator up to his time they had had in that line. But he instructed Wright so thoroughly that the people had noticed little difference in the management. Wright employed several assistants, all of them having opportunity, as the world says, to learn the business. But in learning this business no boy was initiated into the art of lying or cheating. Wright was, if anything, morbidly jealous in that direction. If any doubted his word, there was the record in minutest detail. Let any one impeach it who could.

"I asked if he had no competition, and was informed that there was another store near by and two others on the other side of the hill. But competition was only possible in matters of economy or ability to conduct the business. The four stores were required to supply the needs of the

community, and there was virtually no competition, In fact, the owners consulted with and gave one another points. So long as Wright is kept as busy as he cares to be, he is in no way disturbed that Morgan finds enough to do. If Morgan's success should take Wright's customers from him, and he be unable to continue, he would have to bow to the inevitable and turn to some other occupation. He is, however, reasonably sure against a disaster of that sort, for he couldn't stock his store to begin with without the cooperation of others. It was the merit of a system, where the ruling principle was 'labor for labor,' that there were few very poor: all who were willing to work could earn a living and lay somewhat by for a rainy day. And as none could be very poor, so none could become very rich. No capitalist or money-king could arise to lord it over his fellows. The result of *labor for labor* was a democratic simplicity. It created and sustained a mutual dependence. For this reason, a man starting any kind of business on other than a comparatively limited scale required the goodwill and support of others. He must be able to borrow capital in accord with his plans.

"This was the way he would stock a store. A, B, C, and others have credit at Farnham's bank, or they establish credit by depositing their notes there to the amount required, which notes are satisfactorily secured—at least, Farnham believes them to be—by improvements upon land or any real estate, or even by promises of labor. In exchange, they receive Farnham's notes, or the current money of the town. This they lend to Wright, and receive his promise or private note, which he redeems in due time as his business becomes established. This is but one way. The problem has a variety of solutions."

"It's a way sometimes practised now," said Smith, ironically; "Jones borrows money on his IOU of Tom, Dick and Harry, starts business, busts up, and pays Tom and Dick and Harry with, 'I'm very sorry, I'm sure.'"

I replied that the cases were not parallel, because the one was conceived and carried out under an entirely different set of circumstances from the other. Of course, there were the elements of mutual confidence and honor in each, but the inducements and opportunities of success and honest dealing were wholly changed. The one borrower took his chances under an antagonizing, cut-throat system; while the other went forward backed by a system of things which harmonized interests and caused all whom it might concern to desire the individual's success and prosperity. In New Harmony, the idea that one man could be benefited by the failure of another seemed to

be exploded. Success there means simply the opportunity for labor, and the more labor done, the greater the production and the aggregate wealth.

Smith inquired after Farnham's bank. "Hasn't it a gold basis?"

To this I replied in Alexander Farnham's own words:

"No more than it has a cabbage basis, or a beet basis. Gold, iron, cabbage, beet are but so many producf representing human labor; they are worth precisely the cost of producing or obtaining them. 'Farnham's bank' is a labor bank. All the money I issue is labor money. It is a convenient medium of exchange. It secures to each person using it the equivalent of his labor; at least, that is what it calls for. I issue my note of promise to pay so many hours of labor. My labor dollar is two hours' labor. It might be ten, but for greater convenience I have adopted two. The community know I'm good for it, because it knows, or may know, if it cares to investigate, that the notes of others which I hold are all secured by substantial salable property."

When I asked what hindered him, when he once had the confidence of the community, from an over-issue, from circulating any judicious amount of money not so secured, he replied that, supposing he was disposed to do so, there were innumerable checks on any such conduct. His accounts could be examined at any time by all who chose, and as a rule he had insisted on such an examination by competent parties at least once a year. Besides, there were too many concerned in the labor of conducting the bank to make any risk of that kind appear to be worth one's while.

"A nice-looking thing, as a theory," exclaimed Smith; but practically, in my opinion, all such wildcat arrangements won't work. In a country like this we must have a uniform currency, with a solid basis,—not a little, sentimental, tinkering sort of job."

I gave him the last word, and the conversation was postponed to another evening.

VIII.

THE NEW HARMONY: SMITH'S CONVERSION.

I called at the Smiths' by appointment to finish my account of New Harmony. Smith gave me a great I surprise. Without a greeting of any kind, not even asking me to sit down, he pulled a crumpled paper out of his pocket, and said:

"Wife and I have talked it thoroughly over, and, strange to say, we have agreed on the following three things."

I sank into a chair, he did the same, and the wife entered with her knitting.

He proceeded to read:

"1. The country needs a uniform currency,—not a legal-tender, but an *equitable-tender*. The Greenback theory of National money is suicidal. No currency can be the currency of the people which the people are not free to accept or reject at any moment.

"2. What is wanted to give circulation to money is established credit. In other words, it must be redeemable. There must be substantial security, so that every individual receiving it is assured that he is not holding only a bit of paper which has neither father, mother, uncle, aunt, or cousin,—no responsible paternity or relative he can reach.

"3. Money must not only be issued with the responsibility and security definitely understood and approachable; it must be issued as cheaply as possible. Neither government nor favored individuals must be able to claim any other monopoly than they can establish by virtue of those two conditions: security and cheapness."

Mr. Jonathan Smith handed me the slip of paper when he had concluded the reading, and remarked:

"You can keep that as a landmark."

And Mrs. Smith added: "You will credit us with having made some progress in the last few days."

"Yes," cried Smith, "I caught on the other night after you left, and wife and I have talked a steady stream ever since. It was as if I had suddenly turned a corner of the street I'd been traveling all my life, and a new idea revealed itself. From that moment the whole business has fallen into shape, and we haven't disputed a word since. We thought we had started life together, Sarah and I, twelve years ago; but it was a mistake. We've been traveling different roads ever since. Now, for the first time, we go together, because our minds go together. Sarah, I must own, got the start of me. She tumbled, as the boys say, to the idea, as you know, almost at the start. But you see, her mind wasn't preoccupied with old rubbish. You see a woman has the advantage in looking at a new idea. She hasn't so many old ones to get rid of."

Smith laughed heartily, as he always does when he believes he has perpetrated a joke.

"Now," said he, "there is no need of your describing that New Harmony factory. We know all about it. When I was a boy, I used to drop a lump of saleratus into a glass of cider. Of course I knew what the result would be every time. Just so with equity in business,—labor for labor. The thing settles itself. You're only got to work out the details. Its just as though you had a measuring stick,—so many feet, so many yards."

"Not quite so easy as that," interposed Mrs. Smith. "But, of course, the whole business is simplified where you have a standard, a rule of exchange, labor for labor, or property for property according to the cost of producing it."

"Well, as to that factory," Smith continued. "In the first place, the rooms are well ventilated. Then, no one works more than eight hours a day. There are no puny children there dying by inches. They have struck an average day's work, or hour's work, perhaps. The head of the establishment works more hours and gets more pay. But the rest get all they need or want. Since the distinction, if they get ambitious in such a community, is not one of wealth, but of intellectual attainment, nobody cares to have the reputation of a Gould or Vanderbilt. They would regard the richest man in the world as a fool, or as foolish. The idea of turning one's self into a mere money chest! Ha! ha! ha! what a dunce!"

Smith's laugh was exhilarating.

I confess I was quite taken back by the whole exhibition. I never expected to see in him so great a transformation.

Then came into my mind the saying: "Marvel not that I said ye must be born again."

Smith was born again.

And if Smith,—why not all the world,—everybody,—anybody?

I agreed with him that there was no need of our going on with reports from New Harmony. He and his wife had already arrived on the spot, and they could explore at leisure.

"We shall do more than explore," cried Smith; "we shall start in business at once. You see yonder store on the corner, or what used to be a store. Well, we have an eye on it. We may open there before the winter sets in. We'll just toss a lump of equity into this hum-drum, rantankerous old town, and see if the lump won't leaven."

"Capital idea!" I exclaimed.

"And Sarah will do missionary work. She has already an essay begun on the subject for the Dickens Club this winter. You see the Dickens Club have

an original essay for some one of its members every month, and the subject is always left to the writer. Luck favors, points the way. Sarah is the appointee for the next essay. What do you suppose is the subject she has already chosen? And the essay, too, is half-written. It is—she can tell you herself."

"I have chosen," said Mrs. Smith, "this, but I may. change it. 'The New Harmony—Liberty, Equality, Fraternity—Considered.'"

"That is capital!" I exclaimed. "Now I will go. I would like to stay and talk till morning. But it is a habit so many have. They waste all their energies in talk, in telling what they are going to do. When they get ready they are like the Dutchman who went so far back to get a good start for a jump that, when he returned to the jumping place, he was all out of breath. Let us avoid too much preliminary."

I confess to a little diplomacy. I was talking to Smith. I knew he would have approved those sentiments before his awakening, but I was fearful, from the signs already shown, lest he might get himself drunk with the new wine of Harmony, and so lose his hold on the project of a store on the corner.

A corner store is a simple matter.

An ambitious man with imagination once enthused might very easily leave that behind him as a mere dot on the realm of great things he was destined to accomplish.

I know very well, when two or more kindred spirits get together and go over the field of reform, they are pretty sure to plan work for the generations to come instead of for themselves. They see so far and so much. After that, it is difficult to compress themselves into the lesser practical scope of one mortal's ambition.

The question was: Would Jonathan Smith set about reforming the whole world, or would he content himself with a grocery store in Springville?

When I reached home, I own that I was half ashamed of having indulged myself in this petty egotism: as if the Smiths could not manage themselves!

Suppose they do or don't establish a grocery-store?

If they do, it will be because they are up to it.

If they don't, it will be because they are not up to it.

It is only a question of fact.

Or did my little word about doing first, and reserving the too-much-talk till old age creeps upon us, for instance, have some part in determining what the fact shall be?

In other words, was Smith's *character* at all affected by my speech?

On the whole, I incline to think we are none of us cast-iron.

We are souls, and impressionable.

I hope I made a good impression on Smith.

There will be no need of my reporting his grocery store in Liberty.

The world will announce the fact,—if he succeeds.

As to Mrs. Smith's essay,—I'm *sure* of that.

She is a woman who will do all she undertakes.

I like a woman who can sit serenely, and knit, knit, knit,—but to whom the world is as an open secret.

When the winter comes, I shall ask Liberty to print Sarah Smith's essay in full.

If the Dickens Club of Springville have aught to say, after its reading, worth remembering, Liberty shall also receive its comments.

And now, reader, a word to you.

I was fully intending to go on for some little time and tell the Smiths all about the New Harmony factory, and there were several other things on my mind.

But when he took the wind all out of my sails,—although he omitted much,—I lost interest in it.

When one suddenly is led to experience a new sensation, other sensations drop out and for the time are forgotten.

Smith's conversion so astonished me, I felt and still feel as though the old world was propped up anew.

At any rate my vocation at the Smiths' was gone.

I am not altogether sorry, though my story was spoiled.

However, let us go on serenely. 'Tis a wise world,—in the long run,—and will take care of itself.

But I should as soon think of suicide as of forgetting that I am, as you are, whoever you are, a good-for-something part of that world.

H.

Ethics of the Homestead Strike

A Narrative by the Wayside

BY
SIDNEY H. MORSE

PHILADELPHIA
1892

A reporter attached to one of the great Western journals sought one day to enter the village of Homestead. The town in the hands of the strikers offered a rare opportunity for the exercise of his peculiar genius. He was not an ordinary reporter on the scent for a sensation or earliest news. He was bidden: "Go and without haste thoroughly canvass the situation. Make a study of the whole problem, if you can. Get at facts. Seek interviews with the managers of the steel works, and with the coolest, most intelligent of the strikers. Gather all the ins and outs and form a judgment. Send that to us whenever you are yourself satisfied with it." This, in substance, was his commission. The journal he represented had for its editor a gentleman of rare intelligence. Moreover, he had come to the disposition to consider the labor problem seriously. He had arrived at this state of mind slowly. For a long time he had stoutly maintained that there was no such thing as a labor problem in any new sense of the term. Always there had been a problem easy of solution. Labor and capital alike were under the law of supply and demand. The problem settled itself. It was a question of arithmetic. The ethical element consisted simply of fair play in competition. After that, "Devil take the hindmost." The annual outbreaks—the differences employers and employees fell into—had no significance outside of this: With which party is the most staying power? Right reducible to the question of might.

There was nothing singular in this position. All the world, apparently, accepted it—the striker no less than the capitalist. He had inherited this opinion with a thousand others which he had seen no reason to change. It was common sense from the purely intellectual standpoint. Though his feelings had sometimes rebelled, it was easy to persuade himself that they were in a rebellion that should be put down.

He had been editor ten years.

Going home one night with the news of the Homestead strike, his wife asked: "How do you think it will turn out?"

"The Amalgamated Union is strong, but Carnegie will beat it."

"I shall be sorry if that prophecy comes true," replied the wife, thoughtfully.

"Why sorry? Don't you desire things to take their natural course? Sorry? Yes, in a sense. As one is sorry when an earthquake upsets a town and swallows people. Sorry for the individuals concerned. But thankful, my dear, that the whole country is not burst asunder and the whole population doomed. The order of nature must go on, and does go on for the general good, despite the occasional sacrifice of individuals. Same law governs the strike. If Carnegie wins, the union fellows go out and non-union men go in. Why more sorry for union than non-union? They are all human beings, equally naked and equally hungry. It's absurd to take sides. You yourself often say, 'Why take sides in a ball game or race of any kind? Let the best side win. I have no other favorites.' So say I."

"I hardly think you do so say in the case of the strike. It isn't which is *best*, but which is the most needy—union or nonunion men. In other words, Carnegie stands by smiling—no danger of his starving for a thousand years yet. He says: 'You Amalgamated Union men have resources. You can live without wages a year or so. Rut there are plenty whose necessities will drive them into our mills on our terms.'"

"Yes, and these Amalgamated men retort: 'We will beat back or kill every man who dares show himself on these grounds.' When the strike reaches that point, government interferes, puts the strikers in jail, and so the matter ends." The wife made no reply at the time. But, as she said goodnight when the editor went forth to his duties, she gently added these words: "If you really think, 'So the matter ends,' your thinking ends a very long ways from the end, I assure you."

The editor smiled a little half smile and hurried on to his task. The parting shot his wife had given him had, seemingly, missed its mark. Preoccupied with a matter of immediate personal interest, he lost sight of whatever other consideration. For some days he had revolved in his mind a little labor problem of his own.

He had wished! to wind up his ten years of editorial service with the acquisition of a greater editorial freedom. The *Western Commonwealth* needed, in his judgment, a new impetus. He alone should be charged with the responsibility. He wished the editorial department to cover a wider

range of topics, to be treated with all the seriousness and interested ability he could command. He would return to the old Greeley way and edit his paper under the inspiration of convictions: make the *Commonwealth*, like the elder *Tribune*, the repository of ideas.

He had communicated his plan to the board of directors. And this night on which he had been told by the intuitive mind of the woman he loved that he had not thought to the end of a problem he had so long dismissed as being no problem at all, he was informed by the directors whose opinion he had affected to despise that if he wished to bring the journal whose interests he had so much at heart to the forefront of American journalism, he "must launch at once, and that without fear or favor, the great and henceforth all-absorbing question of labor and capital."

The note lay before him on his desk.

He had carefully reread it.

It gave him full discretion: "We give you one year for the trial. Do not take sides. Enter on the discussion as upon any other question of science. Treat the capitalist as you do the laborer, the laborer as the capitalist; both without reserve. The interests of neither class are in the problem. It is a question of common weal to be settled on a basis of equity."

"*To be settled on a basis of equity*." He sat there repeating the words. These commonplace, worldly-minded directors! What had come over the spirit of their dreams? "Perhaps they think they scent a corning revolution, a Socialistic propaganda, and have hit on the idea that there's money in it. They want to make the great *Western Commonwealth* over into an organ of the People's Party, perchance. The People's Party, forsooth! And give me *carte blanche* to try the experiment one year. I think I'll fool them. I *will* discuss the 'labor question.' I'll ride it to death. I'll show it up as it never was shown up before. I'll plant myself on facts indisputable and logic impregnable. For one year! I accept my freedom."

The editor went home early that night.

"My advice is," quoth the wife, "that you take a month to think the matter over before you open your mouth or commit yourself."

There was no harm in that. He was in no hurry. A few editorials such as he intended to write would do the business—and he had a whole year!

It was strange.

The next day he could think of nothing else; nor the day after; nor for many days after that. It was labor—labor reform—capital and labor—the "all-absorbing topic."

Even his dreams were disturbed. The very nightmare of labor problems was upon him and brooded o'er him. He woke his wife crying: "The Pinkertons—the Pinkertons are coming!" He saw vast armies, and saw himself in the front ranks, breasting the shocks of battle.

He could not wait his month out.

He must set about his task, and at once.

Here again a suggestion from his good wife led the way and directed his course: "Send Swinton to Homestead."

Silas Parringham at last agreed with his wife. There *was* a labor problem unsolved.

And young Swinton was his right-hand man—his reporter in the field.

He gave Swinton his commission and sent him forth. A week and no report.

Parringham was uneasy, but his wife counseled patience.

Patience won the day.

Swinton could take all the time he pleased.

In taking time Swinton was but following instructions. He intended to take the matter leisurely, for he was commanded not only to gather facts, but to elaborate his own idea of the situation. He asked himself: "What, anyhow, is at the bottom of all this labor business?" And he proposed to answer that question, using the Homestead disturbance, so far as he found it available, as illustration.

It was three weeks before he sent to the editor of the *Western Commonwealth* his study of the labor problem from the Homestead point of view.

When Editor Parringham opened the document—its bulk fully justifying the term—his wife was standing by. Her eye first caught the significance of the title: "*Ethics* of the Homestead Strike."

"That sounds something like it!" she exclaimed. "I shall be interested. You may depend upon it Swinton is a true radical—he probes to the root of the matter. There is *nothing* in human affairs but has an ethical basis."

"We will take the document home," said Editor Parringham, "where we can go through it without interruption."

Late that night they were still absorbed in its contents. The small hours of the morning struck before they had finished. The reading of the document itself consumed but part of the time. There had been long intervals of earnest, not to say exciting, discussion—Editor Parringham questioning with great emphasis most of Swinton's "advanced ideas,"

saying, “He’s gone mad. Talks like a lunatic. He’s no better than an anarchist.” The wife gently defends the young reporter, and avows that she sees in his document “the first gleams of equity, like a sun rising out of the mist.”

“Pshaw!” the editor responds, and the reading is continued. It appeared that Swinton, on the day he made his appearance in Homestead, had been taken into custody by the police of the strikers. He had no little difficulty in convincing those sturdy knights of labor that he was not a Pinkerton in disguise. It was not until one of the leaders appeared on the scene that he got his statement accepted. Then he was furnished with a little “permit” to go and come as he pleased. He went into the mills, but Frick and his managers had little to communicate. He talked with leading strikers, but gained nothing more than was already well known. One sentence only fell from the lips of one man which lingered in his mind: “Our strike has a future significance far greater than the present need, considered alone, justifies. Were we calculating interests merely from the standpoint of the present, the reduction proposed might have been accepted with a protest. But we were convinced that this was but the opening for further reductions that would result disastrously to us. Hence, after full and solemn consideration of the case, we decided to make our fight at the outset, while we were strong and the probabilities of success were as nine to one.”

“So,” said Swinton, responding to this statement, “after all said to the contrary, there *is* antagonism between capital and labor. Two hostile camps, both organized, disciplined, and ever watchful.”

“You can depend on that from the word go. Capital is *always* greedy. That is its nature.”

“And labor?”

“Wants all it can get. Why not? The lesson of this life is to look out for number one.”

For a number of days Swinton went his way among the people of the town, questioning some, but listening more. And from all sides came the assurance that the relation of capital and labor was naturally, inevitably, a state of war.

“There’s no love lost between us, you can bet, and never was. The managers look out for their interests, and we for ours. If they see an opening, they don’t pass it by with eyes averted. Neither do we. It’s very nice for Carnegie to keep us down to living wages, and then toss us a library. He gets a great name for his charities—philanthropies. But if we

need his gifts, we ought to be able to earn them for ourselves. That fact alone shows that at best we are underpaid. How is it that capital has all it wants and to spare, while labor must ever go begging? They say it's 'brains.' Heaven preserve us! Look at the skilled men toiling there in the mills! Brains, forsooth! Carnegie might toss his into balance and be found wanting."

It was a woman who spoke.

Indeed, Swinton began to think that he must consult women only if he was ever to get down to any practical discussion of the real issue. But one day he met a man somewhat advanced in years who seemed quite disposed to unburden himself. He was of the strikers, but only through sympathy. Not a steel-worker, but a day-laborer, in fact. So he confessed. Swinton was struck by his appearance, and their little conversation as they walked a block or two caused him to be more anxious than he had hitherto been in waiting upon the so-called leaders to secure an extended interview.

"Let us go down to the river-bank, where we can talk in quiet," said his companion, seeming to divine his own heart's wish. "We hain't got to the true inwardness of this thing yet," he continued. "I have my ideas, but if I was to give 'em out Homestead would quickly be made too hot for me to stay in—if, indeed, I got out with a whole skin. So, if I unburden to you, you must keep *me* out of it. Swear to that."

"I swear!" cried Swinton, keeping his half smile to himself.

"Then grace and mercy defend you!" said the man solemnly; a moment later adding, "as the Scriptures say."

Swinton was not up in sacred literature, but somehow it seemed to him that he could locate the quotation elsewhere. However, without comment, he suffered himself to be led to the river's bank.

The river flowed by peacefully. The sunlight lay on its surface a gold-and-silver sheen. They stood a moment silently regarding its beauty.

"Many a time," said the man, as he threw himself on the grassy bank—"many a time I've been down here alone by myself to think over this business of labor. Nature somehow lets a man think. I have come to the conclusion that our fellows are going wrong in some of their methods; but what else can they do to keep from going to the wall? I don't just see. Where would they have been but for their organization? Don't you suppose they have forced up their wage and kept it up? No fight between capital and labor, you say? What's all the fuss about, then? Why are the men out on a strike? Yes, there *can* be peace. Take what's set before you and hold your

tongue. There could be a mighty peaceful time here in Homestead if the workers would only let Frick have it all his own way. But the lamb would soon be in the lion's belly. That's one way to end the war—end open hostilities, I mean. Workingmen would simply stay conquered. But 'tain't in the nature of man here in America, anyhow, to go quiet down into submission and slavery. If you don't help yourself, God help you! But no, he never does. Just the contrary. He helps them as helps themselves. At least, so the preachers say. Now, I've been thinking—what is the matter? There is antagonism between laborers and capitalists; but why *should* there be? We ain't working it right, somehow. You talk about a fair day's pay for a fair day's work. But what *is* fair? Who knows? Who can tell? Ask Carnegie? Ask O'Donnell? What will Carnegie answer? He'll say, 'Whatever I can afford to pay.' What will O'Donnell answer? 'Enough to keep me and mine properly clothed, fed and schooled." They mayn't put it just that way, but that's about the substance of both answers. But you see you get nowhere. You're no nearer knowing what's *fair* than you was before. What's Carnegie's 'afford to pay' mean? It don't settle the honesty, the equity, of the thing. If he can't afford to pay—well, what's the use of talking? When a man can't afford to do the right thing, he can go out of business. But to say the *right* can be measured by what one can *afford* is absurd. And O'Donnell is just as far from the point. He wants a wage equal to his *needs*. But there again you're all at sea. A man's needs! A *fair* wage will cover them, will it? Of course, every man ought to be able to make a good living. But he must balance his living, his needs, by the service he renders. In demanding his wage, he ought to be able to say what is *honestly* due him, and regulate his *needs* accordingly. So it comes to this in my mind: what can a man take for the labor he does and not do other men injustice? In other words, we come round again to the old question, What *is* a fair day's work and a fair day's pay? Neither Carnegie nor O'Donnell have offered satisfactory answers."

"But the strikers are safe in saying they are not overpaid, at least—on general principles, that is?"

Swinton interposed this question, not quite getting the drift of the old man's talk, and feeling that he was a trifle prosy.

"To keep to the practical side of the matter," he added, "if we agree that the strikers are not making an unreasonable demand, what is your objection to their method of enforcing it? You say it is war. There are no laws in war. Do what will *win* is the only rule."

The old man looked puzzled a moment, and then answered:

"Well, I see we shall have to call for a division of the question, as they say in Congress. The Homestead strike is one thing, and the labor question is another thing. The one deals with a present emergency; the other stretches along into the future and deals with principles. Let us take up the strike first.

"Now, mind you, I don't oppose the strike. As matters stood, men could not stop to build up an ideal standard of what was fair. They must take it for granted that they were not getting any too much of a return for their labor, and smite the enemy hip and thigh. They were forced into a fight, and they must make the best of it.

"I regret that workingmen do not all pull together. If there were no non-union men, the workers would simply control the matter of wage to suit themselves. But that cannot be expected, since the union practically is limited in numbers to the demand for workers. It can't offer the same inducements as Carnegie. If it undertook the support of all unable to get employment, it would soon have an army of idlers on its hands. It is useless to appeal to the unemployed and say: 'Please remain unemployed and leave the job to us.' Every such man must say in reply: 'It's sink or swim with me. If you swim out, I swim in.' He may not like Carnegie any better than union men do, but he must take the chance to save self from idleness and starvation when it comes in sight. He cannot be expected to be less selfish than his brother of the union is. So the success of a strike lies in there not being enough outside men to fill the strikers' places. They hold the key to the situation so long as they keep this surplus down. By refusing to work with non union men, the mills cannot run unless there are non-union men in sufficient numbers to run them. Manager Frick knows this pinch but too well, and has waged unrelenting war on the Amalgamated Union from the start. He hates it, of course. If he can break it up, and deal with the men as individuals, he will have everything practically in his own hands.

"Naturally, one says, that should be the way. Man with man. Every man competent to make his own bargain. But it all depends. The world has learned but too well the lesson of strength only in union. Napoleon won his battles by fighting his enemy piecemeal, so to speak. That's what Frick wants to do—confessing thus that the workingmen *are* an enemy. If he can get at them singly or in squads, all's well. He has them in his power. The union grows up naturally enough, then—not to abridge any man's making his own contract, but to make a contract possible. The parties to a contract must be equals, or as nearly so as possible. When one is weak and the other

strong, it is simply dictation. Frick says he will not suffer dictation. No more should the workingman. But his only chance to make himself the manager's equal is to shake hands with his brother workman, and with him make some sort of treaty of defence, or offence, if the case demands. It were a long story to go into this matter of dealing alone with individuals. It sounds well, and strikes the American ear pleasantly. It gives Manager Frick a certain prestige with the public. All your small editors re-echo it as though 'twere law and gospel both. But let one of those editors put himself in the place of a poor workman applying singly, going as an individual alone to make his bargain with Manager Frick, and he'd soon find out the pitiable condition his individualism had brought him to. He, one individual, standing there without a cent in his pocket; another individual just out the door, in desperate straits, waiting for him to come out that he may himself go in and accept the humiliation he had refused. Manager Frick sitting there cool, serene—with his own and Carnegie's millions behind him. Is that a picture of equality between individuals? No. To be Frick's equal in making the contract, the workman must have a backing equal to Frick's. It's a state of war, and you mustn't forget it. The union is trying to offset in some proportion the superior strength of capital's manager. It is true that the union is despotic. The individual has surrendered to it the right of making contract. He owes it allegiance, pays his taxes, and submits. What else do you do in submitting to your republican government, with its coercion laws, protective tariffs, and thousand other laws as despotic in their nature as any czar of Russia can fulminate? The *unions* are all alike. What was your war under Lincoln but a war against *non*-union men? The Amalgamated within its own sphere is only a plagiarist of your Federal Union. Does the State government of Pennsylvania allow a non-union man to exist outside of a jail? And yet it turns around and says to the Homestead strikers: 'The right of private, individual contract is sacred. You must interfere with no man's freedom.' To be consistent, it should establish and defend a 'union' for every trade or branch of business. Yet, forsooth, it sends its General Snowden here, to put down every attempt of workingmen to fashion their protective unions after the pattern the State itself has set. It comes to protect life and property? But when did the State have regard for either if its own needs—imaginary or otherwise—required the taking of either? Life, liberty, property, are all at the mercy of the State union. How was it? Did this army of Snowden's come here under private contract? If the men enlisted freely, did they not agree to obey the commanding general? And if

one of them does not, what is his reward? He may be shot or—hung up by the ears.

"I am not here and now quarreling with this state of things. I say only that the 'despotism' of the union grows out of the situation just as naturally as does that of the State. And its aim is quite as high. It is organized not to defraud or injure individual members, but to protect and secure them the advantages of freedom from the oppressions of the common enemy. Its officers may make mistakes, or sometimes o'er-step their delegated authority. Are your statesmen, politicians, your State officials, free from all suspicion in that respect?

"I, then, under the circumstances, stand for the union, and am not a friend of the non-union men seeking to help Carnegie out of his scrape.

"But, at the same time, I think it bad policy to enter on a contest with the State authorities. If the despotic State says the non-union men must be permitted to go and come freely from the mills, why, so be it. We must acquiesce. We have got to in the end, and we may as well do so at the beginning. As to the fight with the Pinkertons, I'm not, on the whole, sorry it occurred. It has brought that whole business before the country with too much emphasis to permit of its ever being laid aside unsettled. The Pinkertons must go.

"But, as a matter of fact, the Pinkertons summoned by Frick came here to do precisely what the militia are doing—stop strikers from interfering to prevent new men from entering the mills. Why, then, should the strikers welcome Snowden? They got the rebuff they deserved. Why pretend to be law-abiding men, as the phrase goes, when they were not and had no intention of being? No non-union man was to be allowed to enter the mills. The strikers took possession of the town and intended to hold it until Frick was subdued. It was a foolish thing to do. Frick had the law on his side, and sooner or later, if he could not get the Pinkertons, he could summon the Governor and his militia; and if that was not enough, the Governor could call on the President, and he could summon the whole country. Public opinion was against us on that score. We were defeated from the start. We had finally to yield ignominiously. We had done better never to have placed ourselves in the situation. We should have confined ourselves to personal appeal, or been sure that our places could not be filled. That was, that is, our only chance. If we succeed finally, it will be because nonunion men cannot or will not step into our shoes. So much for the strike. Now, as to

the labor question, it is high time public attention was turned seriously toward a better understanding of it."

Swinton had given himself up to be a listener. "Let the old man talk," he said to himself; "I'll give an attent ear, and make the most of it." But it was hardly possible simply to listen. His own mind was in motion, following out threads of discussion for which his companion was at least furnishing suggestive if not startling texts. One conclusion he had arrived at already, and, interrupting the other's monologue, he made this avowal: "If you will permit me—I am fully persuaded that the strike, successful or otherwise, settles nothing. The real issue is not even touched. Whichever side is defeated, it will surrender not to a principle or natural law discovered that puts the dispute on an ethical basis, and so disposes of it forever."

"Precisely so," the old man interrupted, speaking with emphasis. "That was my reason for dividing the subject. And my complaint of workingmen generally is that they will waste all their time and energy in these, comparatively speaking, barren struggles with capitalists. If the Amalgamated Steel Workers would devote one-tenth of their means to the effort at placing their cause on its moral legs, if I may so speak, I should have far more respect for and faith in them. But they don't seem to see that—only in a general way. 'We don't get pay enough,' they growl; but what *is* enough? They don't know or seem to care. Like Frick, they will take all they can get, all they can stagger under. It may be a hard thing to say, but, as a matter of fact, I don't know one of them who would not step into Frick's shoes if he could, and do about the same as he has done. So it remains with them a matter only of ins and outs."

"Well, we are agreed on that. Now, what is your solution?"

"Mine? I can't say as I have any as yet; but I have been thinking. To plump it right out as I keep feeling it, and sometimes seeing it, I say it is *the giving up the idea of the power of capital to increase on itself.* Whatever shape it takes—profit, interest, rent—I use the terms in the every-day meaning of them—capital is turned into a monster that eats up all before it. The hardest thing, we are told, is to get your *first one thousand dollars*. After that, increase comes easier. Why? Because your capital works for you; gives an advantage over your fellow-workers. It goes out and returns laden with the fruits of their labor. Get a few thousand and you may begin your career of sitting in your office with a clerk to gather in the spoils.

"An *office* is a great thing. A *man* in an office is a greater wonder. He is no longer the simple individual you have known, neighborly and

considerate. He is on his nerve. You call, and he looks up with his 'Well, sir, what can I do for you?' He is busy figuring his income. He has rents here, and loans there, and no end of investments. He works hard. No doubt of that. And every laborer is worthy of his hire—or if he isn't, he ought to be. Depends on how you take it. The highwayman lives a hard life; no one works harder than your professional burglar.

"Suppose we follow up the career of this man in the office and see what comes of it.

"He is an agent at first; a broker; a go-between; does business for other people and gets his commission. Trains for himself a sharp eye for good chances. Knows how to invest, and where. After a little, he invests for himself. Puts money into a lot. Waits for others to do the same in his neighborhood. Ten years, and he will sell it. Double, thribble—no telling where the increase will stop. Other like investments follow. He builds houses; rent flows in. The house is paid for in rent. Ten years has done it over and above all cost of repairing. In ten years that house duplicates itself. Ten years more, four houses. Ten more years, eight houses— all paying rent. All this over and above wear and tear. He has eat his cake and kept it; much better. I have said nothing of the increased valuation of his property. And what has it all cost him? Little or no personal attention. Only the hire of a clerk. Or, suppose it occupied his whole time, and he labored each day as many hours as any man ought to. The difference between his labor and other men's labor who have no capital working for them is not so great. But they remain poor. He grows rich. His investments have done it. Capital has made him the rich man that he is; not his labor, not his brains. Other men's brains are as good as his, and they have worked as hard.

"If this man in the office goes into business, it is the same thing. Capital does it. How does he figure? So much per cent profit for capital—over all cost, his own salary included. That is, he pays himself for his labor, and then deducts from the sum due others for their labor enough to make up the per cent he claims for the use of his capital. That is the way he amasses wealth, grows rich. It is the capital that works for him that does it."

"Well, so far as I at present see," Swinton interrupts, "that seems all right. And yet—"

"*And yet!*" exclaims the old man. "That 'and yet' tells the story of the future. Your instincts tell you that what seems all right may not be all right, after all. Let us go on.

"Now, what is there to be said against this increase of capital? Inevitably it builds up large fortunes for the few and leaves the many living from hand to mouth. The producers—the workingmen—pay tribute. The manipulators—the barons—build of this tribute fine castles, wear fine linen and live sumptuously every day. I'm not sure but things average up, so far as happiness goes, and the children of the poor turn out possibly as well as those of the rich. But it would be better to avoid either extreme. Making all allowance for difference of ability, the greater or less capacity shown, it does not seem that naturally there would be so wide a divergence in the results of men's labor. Investigate the matter and you see it is, in fact, the outcome of this tariff which capital imposes on labor.

"This great inequality of fortunes, on the face of it, is, to say the least, not democratic. Yearly there is growing up in this country an aristocracy of wealth. If the tendency is inevitable—if it is the sole and true outcome of the industrial problem—then your boasted free republican institutions go for very little. Titles cut no great figure as yet, but social lines and exclusions are to be found all the same. Your heiress and working-girl are as far asunder as princess and peasant girl. Yet your 'religion of humanity' no less than the Christian religion knows no such distinction. Which is right—your religion or your industrial system?

It is urged that your millionaire gives back sooner or later, in one form or another, all the excess of wealth he has acquired over others. Possibly. But the question is, was it well for him to acquire it? Did it come into his possession fairly? Was it a 'fair day's work for a fair day's pay' he gave? Waiving that a moment—in a democratic land where the people boast their self government, the laborers ought all to share in contributing whatever public pleasure or benefit. The burden of acquiring and giving should be common. People who have things done for them lose half their value. The doing itself is the test of character. It implies intellectual activity; exercise of head and heart; ready and willing hands. How much higher the ideal of a community where all were participants—all able to do each his or her share! No need of a Carnegie library! No Carnegie possible as an industrial product!

"The Socialists, or one set of them, propose to turn the whole industrial system over to the State, and in that way balance accounts so that a more uniform or even distribution of wealth shall be brought about. But to my mind that would be like jumping from the frying-pan into the fire.

"Nor do I see any rational basis for the dream of the Nationalists. I have read 'Looking Backward.' To all such schemes I have one standing objection.

They mean the destruction of individual independence. No man initiates his own enterprise. Everybody is busy planning for everybody else. The only justification attempted, so far as I know, for these proposals to subordinate and control the individual is that he is intensely selfish and his private interests are constantly antagonizing the public or general interest. By a system of co-operation improvised for the new era, this selfish nature is to be held duly in check, if not wholly subverted. My opinion is that the individual needs not to be *squelched*, but *enlightened*. Not many men can be won over to the idea that to succeed in life they must act without regard to self, or by ignoring their own private interests. On the contrary, private interests need far more attention. Every man should know definitely what his private or personal interest is. That is what he was individualized for. He must learn his relation to men and things. People think they must be born again, become eminently self-sacrificing, before they can come into true or harmonious relations with their fellows. But I would preach instead a gospel of self-aggrandizement, on the high plane of individual dignity, power, intelligence—aggrandizement that demands all the virtues, and consistent with the equality and freedom of all men. If we cannot build on the basis of the individual, we are like a house without foundation. When I say individual, it does not mean some particular individual, this or that fortunate one—a few, a part only, as some persist in thinking— those who have strength to forge ahead or climb to the top and tyrannize over their fellows. Individualism includes all. Every man, woman or child you meet is its representative. And the supposition is, at least, that each will find his or her highest interests in harmony with the good of all. If this is not so, democracy is a failure. Our ideal of universal opportunity, liberty, happiness, is a delusion; the Declaration of Independence, as it was once called, a 'glittering generality' only.

"For one, I believe in it, and in the *whole of mankind*. And I believe there is a solution of the industrial problem consistent with this noblest ideal. And I distrust at once every custom, however hoary with age, that tends to build up one man, or a class of men, at the expense of others. I throw my protecting thought around the world, and do not miss any one individual aspiring to manhood I do not say to the individual who in his blind impotency is striving to secure benefits for himself at the expense or to the injury of others, 'You sha'n't,' but I say emphatically, '*You can't.*' If there be sacrifice, it must be mutual and complementary. You can ask no more than you give.

"But to come *once more* to the point."

Swinton, it must be confessed, was himself indulging a secret wish of this sort; and yet the old man's energy, earnestness, enthusiasm, carried him along contentedly enough, and made him not averse to giving his friend ample scope and time for the development of his thought. It was interesting to meet with a *real believer*, anyhow. The atmosphere of the great city was so continuously skeptical, so like a London fog. His only anxiety was lest the old man should, after all, peter out and arrive with all his thinking at nowhere in particular. It puzzled him yet to see what he could mean by capital's not being endowed with the right of increase. He could think on the subject up to a certain point, and then he beat the air. Would the old man do the same? He was alert and eager, now that they were nearing the "point."

"All right," said he; "it is the point we are after. It has all been very interesting to me, but minus the 'point' it all goes by the board. Like a ship without a rudder, we sail nowhere in particular."

"You are quite right," replied his friend; "but it is difficult to state the point, or rather to restore it, clear away the rubbish of error the centuries have piled over it. For it must have been a very early idea of social man, because so simple and obvious, that among equals there could only in equity be an exchange of equal service—burden borne for burden borne, work for work, labor for labor, governed by the *simple law of equivalents*. Whatsoever apart from this, a violation of equity and a wrong, resulting in the subjugation and slavery of the party wronged—*a curse alike to both parties*.

"Now, what is capital? I have my own definition. *It is a labor-product unused in the day's living; that which is left over*. You may apply this to land, houses, tools, cattle, whatever creature or thing you have to do with. As an exchangeable commodity or thing, *the measuring price is the sum of the labor it represents*. And when it is used, it has no right to make any demand in excess of itself. That is, John Verity has a surplus labor-product of five years. It is his capital. He starts a business. To conduct this business, he must exchange this surplus labor-product for other labor-products. To make the exchange an equitable one, he must render equivalent for equivalent. In this way capital always retains its labor-function. It can honorably invest itself with no other. In his sense capital (as understood at present) does not exist. It is abolished as robbery. For what is its present demand? Why, it says: 'I am entitled to more than equivalents in making my exchange with other kinds of labor.' This something more is profit, rent, usury or interest. These things must go."

"What will be left?" Swinton gasps. The thought is new to him. "Without rent, who would build houses? Without profit, who would do business? Without interest, who would lend? Don't you mean rather that these compensations shall not be exorbitant? Not that they shall go, but be made more just?"

"What is more just? While they remain as the adjunct of capital, who can tell what just is? You have no measure."

"I do not understand."

"No; no more than I did at first. It took me some time to realize that building houses for rentals, doing business for profit, loaning money for interest—all might cease, and yet the world get on just as well, business equal to all demands be done—the incentive just as strong and far more honorable."

"Well, explain."

"Well, I start with the idea that the world is always equal to the emergency; knows how, when it reaches a point in its evolution, to make the shift—take its new ideas and put them into practice. This country furnishes a good illustration in its political course. That the source of power lay in the people, and not in the divine right of kings, was an idea that revolutionized institutions, forms, customs, in a manner, at the time, quite as startling as any change now proposed. We have had religious and political revolutions tending to establish democracy in Church and State; now, to complete the trinity, we need this industrial revolution, emancipation. Though it comes to the front last in the order of time, it really is the foundation of both the others. To utter and vote *convictions*, it is, to say the least, far better to have one's bread and butter made sure. But, of course, it all goes on together. It all means progress, growth—the perfection of the race—"democracy triumphant," to use the phrase of Andrew Carnegie. He—blind man that he is—shouts victory, triumph, when the battle is only just on. He hasn't got down to the real issue involved in the problem of democracy.

"But to come back to the point. You see, I am chuck full, as the boys say, and, in an offhand conversation so, feel I may be allowed a greater latitude—run off for a word or two hither and yon.

"The point is, what shall we do if we give up these privileges claimed as the necessary rewards of capital—without which capital, it is asserted, would soon be a thing of the past, because men would not save that for which they had no speculative use? The answer my common sense at once furnishes me is, men will continue to supply their needs after as before. If

they want houses, they will build them. If they want employment—and all men do, or should—they will seek it, each after his own gift. And every man's property shall represent his own labor, or a bequest. It is no worse for capitalists to give over their plunder than for highwaymen on land, or pirates on sea."

"When it is shown that it is plunder?"

"Precisely. You have a logical mind, young man, and drive me on to saying the right thing. I have been dwelling on the results of the present use of capital; attempting to make it clear that this use, as surely as day follows night, or night day, brought about the class distinction of rich and poor; robs the many for the enrichment of the few. No man who does not call to his aid this toll-gathering function permitted to capital can make a fortune, as the phrase is. His wits may go far, but without his profits and his rents and his usury, no exclusive, princely fortune can be realized.

"So much for the claim that the system is wrong, as shown by results. Now for reasons based on the principle of the thing: the *ethical side founded in right reason*.

"Everybody will assent to the statement that in all honorable dealing there should be equivalents rendered; that the scales should balance; that one should 'get his money's worth.' We assent to this, and straightway go and see in what ways we can get the best of the bargain. As it seems to me, it all comes about in this way.

"We have come to think it a legitimate thing in business to take advantage of one another's ignorance and misfortune. In placing a price on a thing we wish to sell we look at the would be purchaser and say to ourselves: '*What does he know about it?*' or. '*How much does he desire it?*' In other words, 'How bad off is he? What is his strait?' Then we 'sock it to him.'"

"Oh, no! Not so bad as that!" cried Swinton, laughing. "For most things there is now a uniform price."

"You are right and wrong both. In every case where there is a one or uniform price, it is where competition has held the natural greed in restraint. There is no principle in it; no sense of equity. Simply the practice of a little prudence. If your tradesman wants to keep your trade, he must either give you a superior article, or keep his price as low as his neighbor's. A man in New Bedford, Massachusetts, once found out that the supply of matches was likely to be limited. He made a small fortune by buying out all his competitors and putting up the price to the point where he thought

people would not prefer to go with unlighted pipes or sit in the dark. The same thing goes on constantly. It's a case of how bad off your neighbor is, regulated by competitors in the same line of business. The motto on the flag is: '*A thing is worth what it will bring*.' Not a touch of humanity beneath its folds, not an iota of equity. It is the flag of the pirate, and should always be painted black.

"Change this for Josiah Warren's dictum: '*Cost the limit of price*.' What it *costs* the seller to deliver the article, whatever it may be. How much time, how much outlay. The question of another's financial strait does not enter into the calculation, cuts no figure. If he can pay for the article, that's all. The dealer says: 'Here, I'm so much out. Make me whole again.'"

"Ah! but how does he get on, if he simply keeps on being made whole again?"

"Why, his own time and labor has been included in the cost, hasn't it? He gets on that much. What more is he entitled to?"

"And his capital counts for nothing?"

"Counts for as much as it ever did. It is kept intact. At the end of five years, say, he has the same capital he began with, with the addition of all his labor-product he has saved over his expenses."

"That is, he uses his capital, and gets no more than any other laborer who has no capital?"

"Why should he? He is using his capital to help himself to further work."

"But he helps others, benefits them; why should he not be rewarded for that?"

"Why should he claim any reward beyond the burden borne? Can you tell me? Mind you, he is not making demands for the *benefit* he is doing *another*, but for the *cost to himself*. The outlay to preserve and operate his capital comes into the cost. But why should he say to the man whom he wishes to work for him: 'See here, I give you employment. You ought to give me a bonus for your chance. I do you a great benefit. Pay for that.' The answer might well be: 'Like an honest man, I will make good all loss your enterprise necessitates for my sake, and we will exchange labor for labor.'

"I do not here go into the question as to whether one man's labor is worth more than another man's, measured by time. That is important, but not necessarily involved in the phase of the subject we are considering. The question is, whether all transactions of business should not rest solely on a labor basis—on the cost in labor of production and delivery—and not involve an imaginary compensation for service in the shape of benefits or favors.

Using capital is one thing; the cost of using, another. The *use* does not involve price beyond the *cost*.

"It all turns on that—on the labor-cost."

"I see light breaking through the darkness very gently!" cried Swinton, laughing. "But I must confess you seem to have led me into a labyrinth of speculation, and I don't just know whether we shall go on to open day or retreat to the old world again."

"I think you will find the retreat henceforth closed upon you. The human mind hitched to a star of however gentle light keeps on its course to the dawning day."

"Then, if I understand you, all profit and rent in excess of cost is unjust—is, in point of fact, robbery?"

"Yes, it may be stated so in brief. But that only opens the discussion. Perhaps we have had enough talk for one day. I for one feel my dinner-bell in my stomach. You see, we must all go back to that for a re-lease of life."

Our reporter had gotten all he could carry of the intellectual sort. A good dinner would aid digestion. Yes, he would have a good dinner, and go fishing. Let capital and labor simmer in his brain as they might. Another morning, refreshed in spirit, his ambition restored to full vigor, he would summon them forth again, and by himself go over the ground again. He would see how he could himself handle the matter alone—whether he had been led away into a realm of pure vision where mere sentiment had run riot, or if in very fact the cost-idea had an earthly abiding-place.

"To dinner now! But thanks, old man—a thousand thanks. If I get on with your ideas, I'll return and let you know."

"If you *don't*, return sure," the old man replied gently, grasping Swinton's extended hand.

"All right. I'll do so whether or no. I see I can catch a train for Pittsburgh. My headquarters are there."

Morning came. Swinton saw the first roseate streakings of the east, but sleep still held command o'er his senses, and he submitted without protest. The forenoon wore away without his waking. The maid had tried the door a number of times and grown impatient with this interruption of her morning's task. She was about to report the case to the office, when her trained ear caught the sound of a stir within.

A quiet noon lunch, and our reporter, contrary to his predetermination of the evening before, strolls toward the depot. An hour later he sits in the shade on the river-bank and sees the old man, with a smile on his fine face,

quietly approaching. He had not noticed the day before how strong and noble the face was—so serene, hopeful, assured, believing, it seemed. Sleep doubtless had performed its good offices for the old man as well.

The conference lasted until the shadows of evening fell on the scene.

There was more to say.

Another appointment was made, and yet others—on into another week.

But there are limits to everything. Our report of this reporter cannot be the exception. What further may have passed between our friends—for friends they are now—to the writer, at least—who can withhold admiration and love from souls such as theirs, men who pause joyfully by the wayside to brood over the world's hopes and aspirations, animated only by "enthusiasm of humanity," from which flows finally all the progress and glory of our race?

Hold your opinions, convictions, old man, however visionary or o'erturning they do seem. The spirit brooding ever o'er your meditations sanctifies all.

And you, Swinton, young man—you without prejudices, prejudgments, but with open mind to read, and heart to treasure truth only—heaven speed you and deliver you of your message finally for the world's great good! Who can tell but from such as you shall come the deliverance we seek?

But the nature of the message written in full, forming the document over which the editor and the wife sat in contemplation serious and earnest enough nigh one whole night—that yet remains in the safe keeping of the editorial sanctum.

The *Western Commonwealth* has gone steadily on its course for two months now, giving no sign the public may heed of a change of heart.

The wife had been heard to say to a neighbor wife: "My husband agrees with your husband so far as this: there is a labor problem. He began the study of it thinking he had an easy task. He thought he could dispose of it in a few bright editorials. How easy to write something owl-wise and smart, as other editors do! He showed me one such, and I begged him to put it in the fire. It never appeared. I don't know when the labor question will be discussed again in the columns of the *Commonwealth;* but some time it will be—will be *discussed*, not *disposed* of."

There is nothing left for us but patient waiting. But that waiting is charged with expectation and hope. The *Western Commonwealth!* Never was there a better name. How readily may it be made to stand for the common

weal of the great Western world! And is the time not fitting—as we celebrate now the victory of Columbus?

* * * * * * * *

Since writing the above, a bit of fortune has fallen to me. Lodged by chance in the same room of the hotel where young Swinton made his stay in Pittsburgh, I yielded to an old habit of looking into the drawers of the stands and bureaus. I have often so discovered some old shred of a newspaper or leaves of a book with item or two of interest which I could carry away for use some time. On the occasion referred to, the drawer in the stand contained a profusion of "rubbish" which the maid had not set eyes on, evidently. How fortunate!

At first sight I exclaimed to myself: "This, now, may be a very interesting if not sacred deposit of Swintonian literature."

The reader may believe that I lost no time in prosecuting my investigation.

But alas! I found only odds and ends—nothing that could possibly be of the slightest consequence to anybody in earth or heaven.

But, as I gave up my search, and drew forth a half sheet of newspaper that lay in the bottom of the drawer, out of its folds fell two or three scraps of paper which looked suspiciously like being something. I fancied that they had an air of importance as they fluttered to the floor.

Enough. I rescued them, deciphered them, and this is the result.

Important?—The reader shall judge.

FIRST MEMORANDA.

1. Homestead strike not in it. Successful or not, no result affecting solution of labor issue.

2 (Aside.) Pinkerton's band should be broken up like other private bands that let themselves to do murderous work. This, or else free competition, and the whole police work of the country turned over to private enterprise—answerable in their work for all manner of misdemeanor.

3. The labor issue turns on the usurpations of capital. The gist of which is—the demand for hours of labor without, so to speak, a labor-return.

4. Capital used at cost. Whatever labor it costs to manipulate it, enters into price, nothing more. No price for benefits or favors.

5. Settles the land question. Price of land—cost of labor improvement. Put posts around a thousand acres and call them yours? Nonsense! You are not even entitled to pay for your labor in planting your posts. No earthly use to any one else; no, nor to yourself. You can ask another to pay for your folly. Land to be sold or exchanged must have a labor-basis. No labor, no price. Not *land* sold or exchanged, after all, but *labor*.

So with everything. Not the thing, but the labor in it, should settle price.

6. "My necessities are great. I must have it at any price."

Honest answer: "I know nothing of your necessities. I measure my price by my own sacrifice."

This idea of a *cost-price* as against a *value-price* starts a thousand questions, most of them arising, however, from the state of things under the old or *value* system. To say, "I set price according to *cost* to me, not *value* to you," upsets all the calculations of the present piratical business program.

7. No matter—since it furnishes, approximately, at least, an answer to the question, what is a fair day's pay for a fair day's work? The reply being, "Another fair day's work, of course." The Carnegies take heed.

8. Equality, liberty, fraternity, to be realized politically, socially, industrially, if ever Democracy is triumphant.

9. What equality, what liberty, what fraternity are: studies for everybody.

10. Warren's idea—that to harmonize you must first individualize everybody and everything—worthy of profound consideration.

11. Instead of *union*, we must look for *harmony*. The individual notes must preserve their separate individual tones: so together co-operating, sound the grand anthem of Democratic life, liberty, peace.

* * * * * * *

Consider the matter at length under the following heads:

1. Exchange of labor, including time and skill.
2. Competition under cost-system.
3. Money.
4. Organization.
5. Co-operation.

OFFICE OF *The Western Commonwealth*.

SEPTEMBER 1, 1892.

DEAR MR. SWINTON:—My husband has been too busy to give you the answer he desires to your communication on the labor issue. The board of directors held your communication in consideration, meeting daily, for over a week. While appreciating the ability with which you have presented the many points involved (and catching, I imagine, in spite of themselves, something of the enthusiasm your advocacy of the new movement must inevitably inspire in all minds), they decide that the *Western Commonwealth* should not enter the list to lead the new reform until the whole matter of the working-man's reward has been more thoroughly canvassed. Mr. Parringham says: "Swinton may congratulate himself, at least, that the journal has by his communication been held in check, and has not gone off on a crusade of 'Nationalism,' as was almost determined on. His report called a halt, and compelled the directors to canvass the whole matter anew." My husband is himself in some uncertainty of mind, for which he owes you many thanks. I write at his request to say that he will always appreciate your great service to himself and the *cause*. You see he has come to say "*cause*." Three months ago he was sure there was *no* cause, *no* labor issue worthy attention, unless it was to rid the country of tramps by making every such person *show cause* why he was not earning an honest living. He has traveled far enough away from that idiotic frame of mind now.

One of the directors sent him in to-day two or three queries suggested by your communication, which he turns over to you for reply.

Of one thing you may rest assured—revolutions, once started, never turn back. The *Commonwealth* is in the "swim," to use the, I believe, English word, and we may expect great things. The journal has a financial backing that places it above pecuniary difficulties, if the owners once decide on however unpopular a course. To our surprise, they have developed a decided missionary zeal. Once embarked, they will, as one of them has affirmed, spend their last dollar to make their journal a great power for good. And let me assure you that "last dollar" is at the bottom of a very big pile. As earnest of this phase find enclosed a check for five hundred.

Yours very sincerely,

MARTHA PARRINGHAM.

Young Swinton was vastly pleased by the receipt of the above letter. The money enclosure did not come amiss, but the absolutely friendly tone of the note reassured and comforted him. How is it that a man never enters on any great work of elevating import to humanity but noble women come forth to meet him with greetings and encouragement? In his lonely brain man follows along the line of some high impulse, announces a new conviction. Forthwith steps a woman to say: "I believe it; I know it; I have known it all along in my heart." And then, her only ambition to carry the idea to the ends of the earth! The reply of that judge who, when asked his opinion of the young Emerson, could only confess: "Oh, I don't pretend to understand him, but my daughters do," but states a fact paralleled times untold. The daughters, the women, are early and late with the world's best thought and purpose. No sepulchre can entomb their faith. The cause is never lost. It cannot be. The universe is not so fashioned.

It is not improper here to declare that Martha Parringham may be ranked with the world's most intelligent and lovable natures.

The interrogatories to which Swinton must find answers were:

1. If socialism or communism are not advisable, how is cooperation possible? Co-operation by profit-sharing is ruled out by the interdiction of profit. How does individualism cooperate?

2. If capital is not to be owned and managed by a few capable men, will there be any capital to manage? Distributed among the million, how will it be brought into service for individual enterprises where there must be stability and freedom of action on the part of managers?

3. In the practical working of the doctrine of labor for labor, will the inequality in abilities be disregarded? In other words, is capability to be set aside, and every man's time to be declared of equal value with every other man's?

4. What about money?

5. Is competition done away with?

6. If not, does not your *cost*-idea land you back just where you started, with *value* the ruling consideration?

Eager enough for the argument, Swinton soon realized how much easier it must be to ask than to answer questions. He had written a whole chapter on each number. The floor was covered with manuscript. But that would never do. He must boil it down. Compact in the smallest compass possible, the directors could spin the thing out for themselves. He could only give

texts. They must go on with the sermons. In fact, he argued, if they could not of themselves work out the problem from a few hints, why, they were off the track entirely, and he could not switch them on. But once on the track, keen for the scent as he was, they could, as he had done, follow the business on to the end.

His letter finally ran as follows:

DEAR MRS. PARRINGHAM:—How can I tell you of the pleasure the receipt of your note, with its enclosure of "funds" and the "queries" of directors, has afforded me? The "funds" came not amiss, and the answers I am expected to give to points of so much interest add new stimulus to my pen, an instrument which ought to be in these days in everybody's hand "mightier than the sword." But it is your confidence in me and your support of this new phase of the labor question that yields me the greatest satisfaction. I turn to my task with added zest and delight.

I will reply to the directors, rearranging questions as follows:

1. *Exchange of labor involving time and skill.*

Labor for labor measured by time—contrary as it is to prevailing custom, where *value* instead of cost establishes price—does not seem other than as it should be in a community of friends where *equity* is the ideal.

Why *should* one man's time measure more than another's? All have the same natural demands to supply by their labor. It does not follow from this that one with a profession or trade which has cost a previous outlay of time and means must give time, in a present exchange, hour for hour, with another man's time whose labor has not called for the same preparation. If five years have been given necessarily to learning a trade, these five years enter into the cost of the labor-exchange. The other man must foot up a like cost to render his equivalent. If he has only to take a spade and dig the ground at will with no previous cost in training, he will give more present labor in exchange than the man who has to make good his past outlay. This matter may not be adjusted to a feather's weight; it is enough that the intention is there, and that equity is sought for.

As to unequal abilities, that consideration must settle itself, as it now does. The competent in competition with the incompetent: those who can do a given task with least outlay in time, set the cost-price.

2. This brings me to the query, "Is competition done away with?" That would be as impossible as undesirable. While differences in ability exist—and such differences are probably to abide with the human race forever—

the competitive system as to skill and adaptability must go on, not only as incentive, but as benefit to all by reduction of cost. Result, less labor, and better work. Competitive ability is one prime factor of civilization.

But competitive starvation, which now enters so largely into establishment of price, under the reign of *cost*-idea will disappear. When a business is overcrowded by workers, there are remedies. Say, first, if the supply of an article manufactured is already equal to demand, workers must turn to other employments. A labor bureau of statistics should be able to furnish all needed data to regulate demand and supply in all departments of industry for the world. If there be more laborers than labor required for established enterprises, what is more apparent than that new industries must be opened up? The tendency would constantly be toward each worker's finding and fitting himself to his task.

And then, under a reign of equity, fewer hours a day would serve for supplying the laborer's demands. No longer robbed of a "fair day's pay for a fair day's work," the labor-day could be lessened in time, and other demands of the civilizing man be met. Demand for more laborers would thereby increase, to supply demand for production.

3. *Money.* The simple, controlling idea in producing money, it seems to me, should be to keep it, as now, a medium of exchange; only, there should be a *labor*-dollar, furnished at *cost*—calling for a specified service, and backed by satisfactory securities. Not by any means a *fiat*-money, but something akin in idea to the gold-basis of present money. Not government fiat or government monopoly, but free competition. It is an I O U always of so much labor, payable on demand. The labor may have been already performed, or it may be a promise of future labor. A mere matter of convenience that must be kept down to cost of production. Bankers not as speculators, but as laboring men, and like all other men entitled to their hire, or *equivalents.*

Only a general idea—but a working idea, it seems to me.

4. *Co-operation.* If one works at his own task, accomplishes it faithfully and well, it follows of necessity that he is co-operating with all others who do the same thing to add to the common or mutual welfare. In conducting large enterprises requiring hundreds of men—no one man having capital sufficient—he, the competent leader or proprietor, must needs borrow of his fellow-laborers. He is thus selected or elected as the man among others best equipped to conduct the affair successfully. He must be absolute owner of the concern, and be able individually to manage without interference. The

support given implies this confidence. The concern is thus individualized; competency and responsibility placed. The business conducted on the cost-idea, the distribution not of *profit,* but of *product,* goes steadily on in ratio to labor performed by all employed, including employer and employees. Time for time, burden for burden; the employer employing *himself,* as well as other laborers.

That such a concern would work without friction of any sort is not contended. But that the amount of confusion, contention, strife, engendered by equal co-partnership—a whole army of men and women privileged to assert at every emergency by voice and vote his or her necessarily incompetent opinion—would be far greater and wholly disastrous, the history of all such communistic enterprises abundantly shows. The principle of commanding officers with separate tasks, and workers in subordination, illustrated in military affairs, holds good in all human affairs. Each to his individual task, and this within its limits sovereign. Where no compulsion is used, no one can blame other than himself if he finds himself in a disagreeable position. The way for liberation is always open.

Thus much in brief.

Of course, a thousand and one objections may be raised, not so much against the principle set forth, as to its supposed impracticability. "It won't work" sums up the general verdict of opposition.

But it is the old story.

Nothing *ever works*—in the minds of the vast majority wedded to an old system—whatever it may be.

But, in spite of all this doubt and protest, how many things *have* worked completely!

We are born doubters of newness and change. A wise conservatism it may be that in most cases gives things grown up or established a fair show, and keeps the world from flying into pieces.

But now and then a few persons make escape into belief in ideas and principles; stand by them, proclaim them, experiment with them; overcome old obstructions and new ones; live down prejudices and all manner of revilement or persecution; or, dying, leave the world to end its opposition by acceptance.

Of course, because so many good results have been brought about in this fashion, it does not follow that each new idea that comes floating into notice is bound to share the same or similar fortune.

The cost-idea must, like all others, run its course and be glorified or otherwise. Since Warren first launched the proposition, over half a century has elapsed. It is in its favor that events and the world's thinking have steadily, if slowly, been driven on to conclusions familiar to him in those early years. Like the other Warren at Bunker Hill, he fell while the battle was yet on, gloriously struggling. America may yet concede noble results flowing from his devotion and sacrifice.

I am conscious of having touched merely the great problem, and with no skillful hand. But it does seem to me, Mrs. Parringham, that all our traditions, as well as our ideals, which distinguish our new world from the elder worlds, are leading on to the freedom and equity the old man at Homestead, following in Warren's footsteps, ceaselessly, assuredly proclaims.

I am very sincerely yours,

RALPH SWINTON.

This supplementary chapter brings the "Narrative by the Wayside" up to date.

3

Mr. Editor: —Believing that the suggestions contained in the following article will be of service to those persons who interest themselves in the subject of Social Reform, and whose desire is to find a method of securing to the laborer the full amount of his product, I submit it to you if you think it worthy of an insertion in your paper.

Peter. I. Blacker.

Boston, April 24 1852

From the Peaceful Revolutionist.

A BRIEF OUTLINE OF

Equitable Commerce.

BY JOSIAH WARREN, (ITS DISCOVER)

The first corner stone of Equitable Commerce is precisely that which "the builders have hitherto rejected:" it is Individuality, —exactly the opposite of Combination, United Interests, Partnerships, &c. It is the disconnection, the disunion, the disentanglement of all interests and persons. Individuality is recognised as the great principle of order, progress, and harmony. The study of Individuality prepares us to admit, and habitually to respect the Sovereignty of every Individual, over his or her person, time, and property; which I understand to be the natural, the Equitable Liberty of Mankind, and which constitutes the second corner stone of Equitable Commerce. The Individualising of all interests makes this Liberty practicable; but it is impracticable in Combinations, United Interests, Partnerships, &c.

The best thinkers on Social Reformation have perceived that the antagonism of interests must be neutralised, and that they must be made to Co-operate together, before any great good could be effected—they took it for granted that antagonism grew out of the Individuality of interests and that

[3] Josiah Warren, "A Brief Outline of Equitable Commerce," *The Boston Investigator*, XXI, 50 (April 14, 1852), 3.

therefore individual must be annihilated and the interests be "United." But experience has proved that Individuality cannot be annihilated, but the attempts have only produced confusion and disappointment—Unity of interests did make them co-operate—when they moved at all, they moved, certainly, in the same direction; but, like the wheels of Juggernaut, they have always crushed Persons in proportion to their progress.

We must find another solution to the Co-operation of interests—one which will not annihilate Liberty—that will not sacrifice persons to property. This solution is found in simple Equity. It is found in making COST the limit of price. If I am to have my supplies at what they may Cost, I am interested in co-operating to make them cost as little as possible; and on this ground, which is but simple Equity, is co-operation ensured; while (the Sovereignty of each individual being strictly preserved) the action of each is kept within the sphere of his own Individuality, and no collision of persons can take place; and persons and personal Liberty are preserved inviolate, which property considerations become secondary and subordinate.

In "Equitable Commerce," Cost is entirely separated, disentangled from value. The value or worth of a dose of medicine which saves a life, is equal to the value of the life saved. On this ground, ten thousand dollars would not, in some cases, pay for the medicine—but this is so false, so iniquitous, that civilized Cannibalism itself has not been able to carry out its own principles quite so far as this; and yet, false and iniquitous as it is, almost all pecuniary commerce of the world has been, and still is, conducted on this basis.

Cost is understood to be essentially the degree or pain, or discomfort, or sacrifice we incur in what we do or submit to. Any thing, therefore, which Costs an equal amount of discomfort or sacrifice as the labor in a bushel of corn or wheat, is considered an equivalent for the bushel of corn or wheat. Cost for cost, in equal quantities, is the basis for exchange, whether it is in prescribing for the sick, or mending clothes; at the wash tub or behind the counter; whether it is in raising food or in cooking food; in buying and selling land, or buying and selling matches; whether in making laws or making shirts, the prices of all pursuits are set and limited by the Cost of the labor connected with the operation. Of course the hardest, the most disagreeable labor, is the highest paid.

The value or worth of a thing being made the basis of its price, is the root of all speculations, all the fluctuations in business, the scrambling for gain, the insecurity of person and property, the continuous round of

bankruptcies, and all the ruin, confusion, and suffering arising from these causes.

Cost being made the limit of price, Value becomes common property. Land, (in its natural state,) and all other natural wealth, like water in a river, has no price; and thus does simple Equity meet the common property idea half way; and the tendency of action on the Cost basis is to render labor a pleasure rather than a pain; at which point (pain being the limit of price) property would have no price, and the common property design would be fully realised, without the sacrifice of persons.

Preserving the Sovereignty of every individual at all times, all disturbing controversies on all subjects are immediately at an end. Profit making or the rivalries of trade being destroyed would neutralise the antagonism of Nations—the quarrels between rulers for the privileges of governing would cease when the business of Society should become Individualised—taken out of their hands. Then, if men deal Equitably with each other, there will be nothing left for rulers to do—they must cease to be, and their quarrels would cease to disturb the world; and all interests being made to Co-operate, the Universal Brotherhood of mankind would result of course.

At the root of all this lies only simple Equity, which in itself seems capable of regulating, and harmonising all the intercourse of mankind, from the most important transactions of Nations to the minutest courtesies of private life.

The principles themselves teach us not to make any attempt to carry them out by combined, or politic action; but, to respect the supreme right of every one to act according to the measure of his understanding; leaving him Free to make any application of them according to his own Individual views, feelings and wants, provided all is done within the sphere of his own Individuality at his own Individual Cost.

The practical applications of these principle to Education, work out a problem of unspeakable magnificence and beauty; and, like the other features of Equitable Commerce, nothing short of the Practical exhibition can enable the public fully to understand or appreciate it.

The subject has been twenty-one years under study and practical experiment in detached parts; and a more public stand is now taken for putting them together at Utopia, on the Ohio River, 40 miles above Cincinnati; [also at Modern Time, Long Island, (N. Y.) in the vicinity of Thompson Station, 41 miles from the City of New York.]