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THE PLACE OF INDUSTRY IN THE SOCIAL ORGANISM.

Ethics and economics are now recognized to have such close relations that it may be permitted an economist, in a journal devoted primarily to the study of ethics, to leave for a little the stricter limits of his own subject, and look at things economic from a more ethical stand-point.

To the philosophic mind, the whole tone of political economy must seem more healthy and human than it used to be. While it is certainly becoming more scientific,—coming nearer to universal propositions in great departments, such as currency and international trade,—it is coming into line again with those social sciences which it had, perhaps, fallen rather behind. The science is realizing that we are not living under the industrial system of Ricardo's or even Mill's time. A century of laissez faire has made laissez faire impossible. The question has been forced on the economist, What is the place and dignity of economic effort among the other activities of human life: is it really the "business" of man's life, as the time devoted to it seems to infer; or is it merely a current in the main stream of spiritual development and realization? The following pages are a slight contribution to the answer.

Looking back on our masters of the past, it seems to us that the older economists were very optimistic. They had a wonderful faith in the power of economic effort to work out social salvation. The reason of their confidence may be explained as follows:

What most stirs the imagination of the economist is the possibility of material wealth now within man's grasp. What most perplexes him is that, with it all, the majority of our people are yet poor, and that the drift of the time seems to be towards keeping them poor. Poverty, indeed, was never yet found an insupportable condition of life; but our people are not only poor, they are slaves to incessant work. If we would console ourselves with the reflection that work is, at worst, a disguised blessing, we have to face the fact that their work is
deadening, sometimes degrading, toil. Yet toil, and even degrading toil, might be accepted as part of the training of the gods, were it not that the working-man, and *a fortiori* the working-woman, has no guarantee of permanence even in this painful condition of working for a living, and has no time nor chance for life outside it.

In regard to this actual condition of the laboring-classes, the economist has often to complain that there are two things, familiar to him, which society does not seem quite to realize. The one is, that the *majority* of men and women spend their days, from morning to evening, in work, and spend their nights simply in preparing for more work. They are mere living machines, wearing out their bodies in toil and spending their non-working hours in making up wear and tear. The other is, the dependence of the so-called "upper classes" on the working-classes. The common folks who dig, and plough, and sweat in factories, have to provide necessaries and comforts sufficient for themselves *and* for us, and that not of choice but of necessity. The working-man finds himself born into a world of which great part is already taken as private property. He finds himself as a citizen subject to many claims imposed by the past history of his State. And he finds himself under an industrial system where the tools with which he must work belong to others. While working, then, to supply his own wants, he has to pay rent for land, taxes for old claims, and hire for tools; and although his labor, thanks to the organization bequeathed him by the past, is very productive, yet it must be confessed that the lion's share of the product goes to those who hold the claims and the tools. It is rather misleading to point to the superior conditions under which the working-man now lives as compared with his position in former times. A great deal of his comfort is due, not so much to his getting a direct share in the new wealth, as to the fact that there is a great deal of wealth which the upper classes cannot consume selfishly. If the *workers* had not clean streets, gas-lamps, cheap water, theatres for sixpence, and the like, the comfortable classes would be the sufferers with them. It is the pit that pays for the boxes, the third class for the first.
The crumbs which fall from the rich man's table are not to be counted the workers' share in the increasing wealth of mankind.

Now, what the economists at the time of Mill hoped was, that when wars became exceptional, and the world of men was allowed to go quietly and continuously about the business of producing, wealth would increase so rapidly that it would not be possible for any considerable class to remain outside the sphere of good wages and leisured life. Capital would increase so much that labor would constantly be at a premium. Perhaps it would be rash to say that this expectation will never be realized under the present régime. The working-class is so numerous, and its voting power so great, that in time, either peacefully or by revolution, it will demand and obtain a greater share in the output of wealth than it now has. Still, many of us, looking back over the course of wealth and of wages for the last decade, feel bound to protest at the terrible time it is taking to give the working-man a larger share. We think that the enlightened conscience of the twentieth century should hurry up the slow grinding of the divine mills. We are not willing that this great, stable, historic edifice of a nation should be imperilled by delaying reform till it can no longer be withheld.

What should strike one is the enormous disproportion between the people to whom the "good life" is possible, and those to whom it is practically forbidden. Under the present régime some few of us have wealth enough to allow us to choose our life and work. Many of us have work which is at least not un congenial, and with that we have abundant leisure after work-hours to live as we like. And there are here and there a few people who have immense wealth, and who conscientiously try to use it in furthering the interests of humanity. This, however, is not sufficient to outweigh the great conspicuous economic fact that the majority of people, even in this richest of all countries, have no time and no means to do anything but toil and sleep.

Our century's experiment, then, of leaving industry to rectify its own abuses cannot be called a success.
ended in putting very much out of sight the right and due of every man, as a spiritual being, to get the utmost assistance from his fellows in securing him a rational, happy, developing, free life. It has raised a few people to a high standard of comfort and leisure, which they find so good and enjoyable that they will fight to retain it. It has made the richer classes accept their ridiculous position seriously, thinking themselves the favored of heaven, and believing that Christ’s “the poor ye have always with you” is a warrant for keeping them poor. Nay, it has so stripped the working-classes of thought and aspiration that they accept the present state of things for the most part in sullen apathy, though not without underground mutterings.

The question naturally suggests itself, Has any plan of regulated industry emerged to guide the actions of those who have rejected the policy of laissez faire, and yet are very far from embracing the other extreme of socialism? An answer of a kind seems to be given from one side of the industrial division. While the majority of the working-classes are swept along on a current which they do not try to control, there is a section among them which seems to have some idea of steering a course,—the workers under trade unions.

A trade unionist may be defined as a workman who considers that wages have a tendency to fall, or, at least, not to rise adequately, unless individual workers form themselves into corporate bodies, agree on a policy, pledge themselves not to act individually against that policy, and take measures to maintain themselves during any period of struggle which the carrying out of such a policy may involve. That is to say, to gain his purposes the unionist gives up his individual liberty of action, and subordinates himself to a body which aims at securing a desired end for all its members. A trade union is necessarily militant. It might be called an army of defence; but armies of defence, as we know, very easily turn into armies of aggression, and the attitude of the trade union to capitalist employers is, as a rule, more than militant; it is certainly hostile. The trade union does not seek to bridge the interests of capital and labor, much less to identify them. It seems to prefer to
fight in the dark. It acts very much on the assumption that wages could always be higher than they are,—which may be true, but is, evidently, not a very scientific basis to go on.

The beneficent part played by the unions in the past has been, it might be said, due to the fact that unionist workmen were a minority, and, for fear of the outside unorganized workers, could not press this idea of blind hostility too far. But the ideal which trade unionism puts before itself is to gather all labor into its ranks. Whenever it does so, however, it must drop the aggressive: it must even cease to be militant; and must become, not a trade union, but a union of capital and labor. For suppose the time were come when capital was forced to show its books to labor, and prove that labor was getting all the share it could, in reason or expediency, claim; then to persevere in asking more would be suicidal, and the only form of union left would be a union of capital and labor to produce the largest total result.

Even now the most successful unions are showing this weakness of foundation. In the great union of textile workers in Lancashire, they congratulate themselves—and justly—on their success in keeping up the rate of wages, and of assimilating the wages of women and men for equal work. But they can scarcely help seeing that the average profit for some years in cotton-spinning has not been four per cent.

Although, then, the economist is bound to defend trade unions, as, hitherto, the bulwark of labor against a power stronger than itself, he approves of them as he would approve of arming the English regiments with the best available rifle,—that is, so long as the industrial, like the political, world is divided into hostile camps. And just as he would very much rather see all men lay down their Martini-Henrys, so must he seek for the ultimate solution of the problem in some form of union which is large enough to take in capital as well as labor. The ideal of trade unionism is but a temporary ideal, as all ideals based on war must be.

When we turn to the other side of society, and ask the representatives of capital what they suggest as the means of remedying the obvious evils of low and insufficient wage—
what, in short, capital would put in place of the trade union, —the answer is, I am afraid, nothing but the old patriarchal theory of the relation of capital and labor, which tells the working-classes that their interests are safe in the hands of the enlightened employer. The usual formula is: A good master needs no union to compel him to do justice to his workpeople.

This is true; but, as every one knows, even Plato had some little difficulty in getting a definition of justice in the abstract, and, possibly, he would have had more if he had been trying to find what was justice in the matter of wage. Does "justice" mean paying the average wage for average work? Well, suppose we can find what the average wage is,—which is not such a simple matter,—we are still, in the interests of justice, forced to ask, What determines the average wage? Is it a trade union? If so, there will be some difficulty in convincing employers that this is a true average wage. Or is it a union of employers? If so, it must seem to the workers that the employers are to be as gods, determining justice for other people, their servants. Or is it to be believed that industrial progress is the path of the immanent reason, and that wages work out their own just laws? Suppose we adopt the ideal of free competition which so many people are enamored of,—till it touches their own trade,—and say that the "average wage" is determined by all capital on one side and all labor on the other. Well, it is not a satisfactory thing to the philosophic mind to be told that the average wage is determined like a tug of war,—even if the weaker party should now and then pull the rope across the mark. Certainly, Plato would have objected very much to a definition of just wage which determines it by the relative strength of two parties.

But, suppose we define the "good master" as one who pays not the average, but the best wage he can, we have to ask what are the factors of this "best"? Is the employer supposed to calculate somewhat in this way: "I wish ten per cent. on my capital; all beyond that I shall pay in wage." The obvious answer is, that no employer does calculate in this way. If he gets ten per cent. one year he has to provide
against getting five per cent. the next, and so no employer ever thinks any amount of profit too great, just because he puts the surplus aside as insurance against possible loss. But what is an employer to do who never earns ten per cent., or anything near it? Are the workers to suffer because he—perhaps by his own fault—cannot make what he considers an adequate profit? And is it always the just employer who makes the ten per cent.? Suppose—to put it concretely—that A, B, C & Co., with five millions of capital, and everything in the way of economic machinery and organization, are willing for a time to accept five per cent. on their capital,—the thing is not only possible, but is common,—and pay twenty shillings a week average wage to the workers, what is the proper wage for D, E, F & Co. to pay, who have an old factory and small capital, and cannot earn interest even on their small capital?

Without going further, any one can see the difficulties of believing that the workers' interests will be adequately guarded by leaving them to the benevolent capitalist. No employer, however good and honest and well intentioned, should be trusted to assess his workers' wages. He has to cut his industrial coat according to his cloth. If his rivals reduce prices, he has to reduce prices. If his rivals do with less profit, he has to do with less profit. If his rivals sell below cost, he has to go below cost. If his rivals like to live for a time on their accumulated capital, he has to live on his capital. But on what is the worker to live, if wages go below twenty shillings a week?

The failure, then, of trade unionism on the one hand, and of the patriarchal relation on the other, to supply any permanent basis for the future of industry, may serve to suggest that it is not possible to formulate, on purely economic lines, anything but a temporary policy, for the reason that, sooner or later, economic tendencies left to themselves come into conflict with the total development of society.

In face of this, what is the function of the economist? It is, of course, as always, to discover and interpret the drift of the economic activity of the time. With this most economists
would consider their task ended; but it seems to me that, at any rate, the philosophic economist has something further to do. Is it not becoming evident that philosophy and economics must now join hands to find out and declare what is the true end and right relation of economic activity among the other activities of human life?

The task is no small one. It involves, first, the formulation of the ideal social organism; and, second, the assigning to economic activity its duly subordinated place in the total activity of this organism. With the view of giving some slight contribution to this great work, I may be allowed to suggest one or two things which an economic profession and some practical acquaintance with industrial life have convinced me must be recognized by the philosophical economist, or the economic philosopher, who attempts the task.

First, as to the nature of our economical environment. There is not much doubt of the peculiar favor which this environment affords to man's economic welfare. According to our prejudices and education we may put this truth in various ways. We may say, with Christianity, that God planted man in an earth that is half garden, half wilderness, and that man is gradually putting all things under his feet, because the universe is his and his Father's. Or we may suppose, with the pure evolutionist, that the savage animal, somehow in the far past, stole fire from heaven, and has slowly fought his way up to the present state of lord of creation because he survives as the fittest of the animals. Or, more philosophically, we may say that the whole is an evolution, not of matter and force, but of spirit, and that, as man gradually gets to know his world, it wakes into consciousness in him, and he recognizes all the powers of the universe as his friends.

It all comes to the same end,—that man, at first the sport and prey of natural forces, gradually bends them to his will, discovers a human use for everything, reconstructs his world, and becomes more at home in it, and so makes all things work together for his good. There are forces of which we have not yet got control, but one would scarcely like to say what is beyond human power. Have we not even encroached on the
realm of the great destroyer, and exceeded the threescore years and ten? Whatever, then, the present may be, it is clear to the economist that the future holds unimaginable wealth in its command. The environment is friendly. The economic sphere will not always be truthfully represented as a struggle of labor against nature, or a calculus of pleasure and pain.

In face of this friendly environment, what is man’s position? On first thoughts we are apt to conclude that the well-being of man is secured as he becomes master of the material conditions of his life,—as he accumulates wealth and capital, and yokes the universe to his car. But this is not the case.

If man were as the other animals, increase of wealth would certainly mean increase of well-being. The cow asks no more than abundant grass and a warm byre. Give her more grass and she refuses it; give her two byres and the one stands empty. The difference is that the animal gets its provision direct from nature, without more trouble than seeking for it, but never increases its wants beyond its provision. The man gets almost nothing direct from nature,—he gets all in the sweat of his brow; but his appetite for good things grows continually by what it feeds on, and his wants are infinitely progressive. Thus, although society has, every year, added power over nature,—added wealth, added capital,—the provision for human wants always lags far behind the demand. Nay, a small minority of the world’s inhabitants may take up all the increase in wealth, leaving the majority at the old level, or sinking them below that level.

This may be seen most easily by a concrete case. Here is a field. Plant it with potatoes, and leave enough grass to pasture a cow, and the field will maintain a dozen farm-laborers in sound, healthy food. But now sow the field down in the finer vegetables, and plant gooseberry-bushes on the pasture, and the field will now yield food for perhaps half a dozen. But suppose, finally, the field to be sown down in flowers, not only does it not support anybody, but it cannot supply enough of flowers to satisfy a few rich people. By this it may be seen that a certain amount of labor and capital may be devoted to maintaining an entire nation in plain, sound life. Or it may
be so employed as to yield a high level of comfort to a good many, while keeping the majority at the twenty-shilling-a-week level. Or it may be laid out to supply the intellectual, spiritual, aesthetic wants of a few, while the majority are on the twenty-shilling level, and a minority is at the starvation-level.

Now, the serious thing is that the present evil distribution of wealth—which corresponds very much to the latter case in the illustration—does not rectify itself. The fortunate few can go on consuming as much wealth as the circumstances of society allow them to obtain,—by fair means or conventional ones,—and, what is more, they can spend it well. Just as one could not say, in the abstract, that money spent in raising flowers was ill-spent, so this fortunate few may take to themselves all the increase of wealth as it comes, and spend it in adding to the fulness of their own life, or laying the foundation of their children's.

This, probably, explains the callousness of the richer classes to the condition of the working-classes. They feel that their annual incomes are not too large for what they may, legitimately and honorably, desire as their standard of life. If a man finds himself this year with a hundred pounds more of income than he had last, it is not altogether selfish if he spends it in hiring a horse for himself, or buying a new piano for his wife, or a pony for the children. The whole family is, perhaps, cleaner in limb and in soul for having these things. Similarly, the few rich can quite well absorb all the increase of wealth that comes into the world, and persuade themselves that they are doing well with it,—all the while forgetting the solidarity of man and the claims of their neighbors to a share. Thus the bad distribution of wealth does not tend to rectify itself. The rectification usually comes of the struggle of the one class to get and of the other to hold.

And as people get accustomed to this bad distribution, and think it natural, we get two very different ideals of life, which we use with charming naïvete. We say to the poor man, It is a good thing for you that you should labor ten hours a day, else you would get drunk in the evenings. We say to the rich man, You give far too much time to business; you should
come home early and read a little. We present the one class with an ideal of work, the other with an ideal of leisure.

Of course, in any philosophical ideal of social economic activity, we can have no such dualistic view. Passing over, as accidental, the present condition where society is divided into a few men with too much leisure, and a vast multitude with nothing but toil, there are certain things we find stated very clearly in the universal nature of man as man. Physically, e.g., his best condition is when he has such food as he can well digest, such clothes as secure him from damp and cold, such shelter as guards him from draughts, bad air, etc.; and lastly, such work as keeps his body at its highest pitch of fitness. But this is also his best intellectual condition. Nay, it is more; it is the best background for all the virtues: it is the every-day condition of any ideal society.

What man, then, simply as man, by his very constitution demands is, primarily, enough wealth to supply these purely physical wants, and enough labor to keep the whole organism working in perfect health. These, I say, are the indispensable requisites of every life, not only of the rich, but of the poorest. They are the minimum standard of the animal called man, which he needs to prevent him having actually a worse status in the world than the mere beasts of the field.

Once these are gained, man may devote himself to the infinite life that lies around and above him,—the life of thought, of feeling, of living for pure living's sake. But surely it is very far from an ideal state if the attainment of this higher life by the few is to prevent the obtaining of the lower—the indispensable—life by the many. We must think our lives something very valuable in the sight of heaven, if we imagine that they are worth the price of the degradation of our fellows'. But how else are we to interpret the common question, If you raise the working-classes, who will do the dirty work?

Here, then, is the heavy indictment against the industrial organization of to-day,—that not only does it make the life of the vast majority a life below the level of good food, good clothing, good houses, good surroundings generally, but it totally neglects the other condition, the healthy labor which
alone can knit these into the healthy man. It looks at labor as a mere means to an end, the obtaining of subsistence, instead of looking at both labor and subsistence as means to—living. Thus, the proposed Eight-Hours' Bill is generally argued from the point of the effect shorter hours will have on production. The question is seldom asked, Is eight hours' labor not enough for the true health, in body and mind, of the worker?

No doubt it will be said by those who think political economy was formulated and finished fifty years ago, that this consideration is not one with which economics has anything to do. The answer is that the new attitude of most economists is one that has a warrant in new circumstances. It is no disparagement to Ricardo, for instance, that he did not bring these considerations to the front. Nor will any intelligent student blame Mill that he was altogether too hopeful of what the accumulation of wealth would bring with it. We have half a century of economic development to take account of since his time,—and that the half-century which has given into man's hand the most gigantic power over natural forces,—and it would be inexcusable in the modern economist if he did not see that we are at a new stage of social history, and that a new society demands a revision of a political economy based on an analysis of the old.

In all the stern economic development of past centuries it is easy to see a true line of teleological purpose. Life then was hard and leisure was difficult, not because it is a good thing for man to live hardly and have little leisure, but because the first necessity of a true life, physically, intellectually, and morally, is Work, while it is not a necessity that there should be leisure, unless men have learned to use it for the higher life. Centuries ago it would have been a curse to England if bananas had grown overhead, and the cassava-root had been had for the digging. With no books and no amusements, no sense awakened to nature, no home but a mud-hut without chimneys and windows, what could the Saxon peasant have done with leisure but spend it as the African tribes do,—between drinking and fighting? The labor that this stern, north-
ern climate necessitated was his salvation, and, in the hard-
working life, he gradually awakened to the goodness and
possibilities of the life outside of labor. This was the teleo-
logical purpose of centuries up till now.

But when machinery is replacing man and doing the heavy
work of industry, it is time to get rid of that ancient prejudice
that man must work ten hours a day to keep the world up to
the level of the comfort it has attained. Possibly, if we clear
our minds of cant, we may see that the reason why we still
wish the laborer to work ten hours a day is that we, the com-
fortable classes, may go on receiving the lion's share of the
wealth these machines, iron and human, are turning out.

If there is anything in these considerations, we must revise
an economic conception which we accepted too easily. Two
great English economists, it seems to me, have given a wrong
turn to our ideas about labor. Mill said that the idea of labor
"included all feelings of a disagreeable kind, all bodily incon-
venience or mental annoyance, connected with the employ-
ment of one's thought or muscles in a particular occupation."
Jevons defined labor as "any painful exertion, undergone,
partly or wholly, with a view of future good." This inclusion
of pain in the conception of labor, with its corollary of meas-
uring labor by the pain which attaches to it, is surely mislead-
ing. What one, of course, sees is that, to the majority of
men and women at present, labor involves a certain—even a
considerable—amount of something of which they would
gladly be quit. But this is the accident of our industrial sys-
tem, due very much to the fact that we have forgotten the
proper end of man, and have looked upon the worker not
as a spirit, but as an instrument of production. It is an acci-
dent from which the comfortable classes and the professional
classes have escaped. To speak of the labor of the merchant,
the employer, the farmer—of any one, in fact, who has reason-
able hours, who has some pride in his work, and who has
some object in it—as "pain," is, in my view, a serious abuse
of language. The pain of present-day labor is a consequence
of the long hours and monotonous processes of the factory
system; and as better organization and education shorten the
hours of labor, make the working-classes more conscientious in their work, and give them a share in the result proportioned to the extra care they take, they also will escape the pain of labor.

What every moralist since Aristotle knows is, that only in the full, free, but unstrained exercise of body and mind does man find his happiness. It is too much, perhaps, to hope that, in any scheme of social organization, it will be possible to give every one a life of congenial work,—which would, certainly, be the ideal of economic activity. But, it may be said, with full conviction, that, if not just now, in a very short time, it will be possible to so shorten the hours of labor as to take away the pain of labor, change it into the healthy discipline of every clean life, and allow every one in his leisure hours the chance of re-creation in congenial work, play, or thought.

But all this is contingent on the proviso that we really wish it. A great many good people have not yet recognized the claims of the working-man to a soul, further, at least, than is implied in the effort to, what is called, "save" it. But once philosophy joins hands with economics, and popularizes the new ideal through the pulpit, it should not take long to rouse all good men to realize the great possibilities that now lie in our present economic position.

The abolition of poverty is now within our reach, if we, as a society, are really bent on its abolition. Of course, I am not speaking of that poverty which comes from disinclination to work or is brought on by vice; that kind of poverty we should not abolish. I mean to say that the resources of the nation in capital, invention, and labor are now so great that the one want of the time is organization, so that there shall be no destruction from war, no misdirection of production, no waste between producer and consumer. That there should be unemployed men in Great Britain arises from the same cause as brings about these frightful crises and this universal uncertainty:—that we have not brought consumer and producer to understand each other and work into each other's hands; that the best brains of this nation have not yet been turned to organizing industry.
To sum up. The error of us all hitherto has lain in looking at man's economic effort too exclusively as an end; in looking upon those who started in life with a competency as "lucky souls," who alone could afford to live the life they pleased; in thinking that we had no responsibility for the fact that the great majority start infinitely behind those few.

The new economist must look at man primarily as a spiritual being, and must look at all men as spiritual beings. In considering the world of working persons, we must take what we may, without irreverence, conceive as the stand-point of the Almighty himself. To us all men must be equal in the one respect, that the end of their being is the same,—that is, the realization of all the powers of spirit in a free life.

From this stand-point, how are we to deal with the fact that some are born rich and many born poor? It must, I think, be the purpose and endeavor of all conscientious people to break down that primary inequality; not necessarily to take away from the one class the advantages they have, but to give something like the same start to all. No considerations of the sacredness of private property or freedom of bequest should be allowed to obscure the fact that the birthright of every human soul in a civilized country is an education, a training, and, finally, a working career, that will make it possible for him to realize himself in what we know to be the only true life,—the life of thought.

How that is to be brought about practically is not for me to say. Sufficient is it to point out that it must be done, or else society will be choked by its own wealth.

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