



## Rodbertus's Socialism

E. Benj. Andrews

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## RODBERTUS'S SOCIALISM.

Socialism has, now-a-days, too many, too honest and too thoughtful devotees to be ignored. It is old enough, too, to demand a measure of regard on the score of age. It is stronger at this moment than ever before, and is rapidly growing. Conservative teachers and students are, indeed, forced to scan the claims of this loud pretender, because of his energetic and successful propaganda among the masses. Hardly a northern state is without its socialist press. Marx is translated and widely read, his foremost theses serving as texts on a thousand socialist platforms every Sunday. Besides, however the subject may repel us, if we only study it with candor and thoroughness, it cannot but instruct us as well.

Socialism is a hard term to define, so protean is the thing which it names, so loose the speech of writers. In a sense, every man is a socialist who believes that the *laissez-faire* way of distributing the rewards of industry inevitably works injustice, and that therefore righteousness in distribution lies along some other path. But this definition includes, among others, communists, who wish enjoyment and possession in common as well as production in common, and also anarchists, whose favorite idea is that government as distinguished from administration can be and ought to be abolished; and from both these groups a large number of socialists justly demand to be kept apart. As opposed to the communist, the socialist, in the narrower sense, does not expect or desire complete leveling in social place or in economic condition. As contrasted with the anarchist, he believes in continuing some form of real political power.

Socialistic thinking and planning is as old as history. Plato gave to his Republic a socialistic and even a communistic model. The Essenes of Christ's time, some of the earliest Christians, and the countless societies of monks which came later, practiced possession in common. Sir Thomas More's *Utopia* contained no private property;<sup>1</sup> nor did Campanella's *City of the Sun*. The

<sup>1</sup> On these political romances, SCHOENBERG, *Volkswirtschaftslehre*, vol. i, p. 22.

Anabaptists of the Reformation revelled in communistic dreams, certain of which they sought to realize. The same is true of the *Jacquerie* in France and of the Lollards in England. The famous Jesuit society of Paraguay was a vast conventual organization, where private ownership was unknown.

Still, the world was ignorant of socialism, in anything like the present large meaning of that word, until the French Revolution. The watchword of that gigantic movement was, the Rights of Man; its aim, to bring honest, untitled humanity to the fore. But most who participated in it vainly deemed it sufficient to that aim merely to pull off men's social and legal fetters, not perceiving that an industrial revolution had even then begun which, with its massed capital and its wages-system, was preparing for the workingman new shackles scarcely less galling than the old.

The first to see this were Saint-Simon and Fourier in France, and Robert Dale Owen in England. Saint-Simon (1760-1825,) wished society reorganized into a grand co-operative commonwealth, under the masters of industrial science and administration as governors; but he gave only the vaguest hints as to how to accomplish this. Late in life he gathered a few brilliant and enthusiastic disciples into a school, which survived him, but died in 1832.

Fourier (1772-1837,) and Owen (1771-1858,) planned Socialism in some detail. Each devised a scheme of co-operative communities, of from a few hundred to a few thousand members apiece, occupying each its huge barrack or "phalanstery" (to use Fourier's word) and carrying on all necessary industries with the fullest aid of co-operation and improved machinery. Owen wanted products enjoyed in common; Fourier would not abolish private property, but, after assuring a minimum to the least productive laborers, would assign five-twelfths of the remaining product to labor, four-twelfths to capital and three-twelfths to talent. Owen and Fourier hoped that all humanity would adopt this organization, as anarchists at present hope. Fourier started a phalanstery, which utterly broke down; Owen began several,

one being that of New Harmony, Indiana, with no better success. The chief result of these schemes was great stimulus to co-operation, of which system Fourier and Owen may be styled the fathers.

Two other French Socialists we must pass here with a word. They are Proudhon and Louis Blanc. Proudhon, 1809-1865, was, after Brissot de Warville, the famous Girondist leader in the French Revolution, the first writer to denounce property as robbery. He proclaimed the feasibility of justice in distribution through the instrumentalities of "labor-time" wages and "labor-time" prices of commodities, two conceptions which Marx borrowed from him and developed. Louis Blanc (1811-1882) is famous for the thought that if socialist scheming is to yield results, the state must take larger initiative in organizing industry. He argued for national workshops, in which the state might furnish employment to those destitute of it, and by use of its large capital and its power to secure the ablest superintendence, might enrich its employees, at the same time defying competition and gradually forcing outside employers and working-men into its own employ. It ought to be understood that the workshops which the Second Republic did found, in 1848, did not carry out but travesty Louis Blanc's ideas, so that their failure is by itself no disproof of his wisdom.

After all, Socialism as we know it to-day did not arrive with any of the above, but only with Karl Marx (1818-1883) and Karl Rodbertus (1805-1875) two German thinkers whose reasonings have stirred the economic world. Their views are at bottom much alike, yet not exactly. One mastering Rodbertus masters Marx; but you may grasp and refute Marx, leaving many of Rodbertus's positions unshaken and unappreciated. For this reason Rodbertus rather than Marx is made the centre of the present study. Rodbertus has presented Socialism in by far its most engaging and persuasive form, free, in his intention at any rate, from nearly all those extravagant and offensive traits which disfigure other expositions.

Rodbertus means to be in no sense a leveller. Not a few

pretty well read people, when Socialism is mentioned, call to mind Babœuf with his bedlam, Fourier with his phalansteries, or at least Louis Blanc and his public factories: construing the system through conceptions of rigid force, tyranny or military discipline. Others, who know Socialism to be a contemporary phenomenon, yet conceive Lassalle, Bebel, Liebknecht or the Zürich "*Social-demokrat*" to be its sole or best representative. Were any such mistaken notion correct, the system would be unworthy of serious thought. Personal liberty and the opportunity for untrammelled individual development are the best products of civilization. Any proposition toward social change which jeopardizes these will, and deservedly, sink of its own weight, however much promise of mere animal comfort it may have to recommend it. On this, Rodbertus would speak as strongly as Professor Sumner.

He strenuously insists that his system would permit every man to choose his calling as freely as now; to follow his peculiar bent, his preferred beliefs, religious and other; to save up titles to wealth for his support in old age, or to bequeath to those closely related to him; to buy books and works of art; to do deeds of charity; to travel abroad. Rodbertus maintains, indeed, that while the present method of industry only permits these sweet liberties to a select few, his would throw them open to all who were diligent and thrifty. Whether or not he herein judges his theory justly, we shall see later.

Again, Rodbertus, although he misplaces and mis-expounds intellectual labor, does not ignore it, as nearly all the other socialists persistently do. He is fully aware that an army of laborers needs its officers as well as an army of soldiers, and that in both cases the so indispensable exertion of brain power must be duly rewarded.

Again, we conceive Rodbertus to be much the ablest thinker who has thus far undertaken to champion Socialism; not an enthusiast; not given to sentiment; but a genuine scientific investigator in the social realm. We see this in the soberness of the colors wherein he paints the socialist estate that is to come, in

his scrupulous attention to difficulties, in his refusal to resort to popular agitation with its inevitable awakening of delusive hopes, and in his avowal that five hundred years at least will be required to launch the socialistic *régime*.

It is at once a phase and a proof of this scientific cast of the great thinker's mind, that he grasps and sedulously applies the important doctrine of evolution in the field of sociology. In Socialism of the popular stripe, especially in that of the German Social-democracy, there is the same vicious sort of philosophy and philosophizing which appears in the ultra *laissez-faire* teaching: viz., abstraction, *a priori* theorizing, formalism in reasoning, and impatience of circumspection in arriving at conclusions. Both have come down to us from the loose thinking which carried astray the French Revolution. Both hold to the exploded notions of natural law and natural right. Both cherish an unscientific, *a priori* conception of justice. Far apart as they are in certain tenets, the same flesh, blood and spirit is in both. In its peculiar way social-democracy exaggerates individualism and ignores society as truly as radical *laissez-faire*. One emphasizes equality, which the other ridicules, but neither consistently seeks liberty or chance of rational development for the whole of society. These defects are not chargeable, in any considerable degree, upon Rodbertus.

Finally, it is to the man's credit that he is pronouncedly a socialist proper and not in the slightest an anarchist, a communist or a nihilist.

The hostility of Marx to Bakunin is well known; but it is certain that since the death of the two men the Muscovite's views have been gaining on the German's. More and more is it the aim of even the Marx Socialism "to supersede the existing states by an international combination of workmen, and eventually to abolish government as we understand it,"<sup>1</sup> altogether.

Let us be just to this darker as well as to the brighter form of Socialism. Anarchism has a bad name, partly because of

<sup>1</sup> KIRKUP. Inquiry into Socialism, 1887, p. 121.

anarchists' violent deeds, partly in that the word, through its associations, suggests riot. But the thoughtful anarchists, Prince Krapotkin, the late Stephen Pearl Andrews, B. R. Tucker, Victor Yarros, and the other "individualistic" socialists, are not men of blood. The distinguishing characteristic of the sect is in their view, not bomb-throwing, but disbelief in government. The fact that some anarchists seek to put down government by force misleads people, they say, to take an incident of the doctrine, logically no part of it at all, as its essence.

The original idea of anarchism was simply that all political rule and authority, as distinguished from mere administration, can be and ought to be done away. As wise and conservative men as ever lived have called government an evil, though a necessary one. Such has till yesterday been the most orthodox of political philosophy. Hobbes, Locke, Rousseau and the great men of the French Revolution expounded it as part of an alleged "law of nature." Herbert Spencer avows it still, and, so, in effect, do numbers of popular American teachers. The press as yet hardly recognizes any other view. Now, begging the pardon of Mr. Spencer and his school, the teaching that government is an evil, is essentially anarchism. The anarchist enthusiastically adopts it, simply omitting the one word "necessary." Government is an evil, but a dispensable one: let us break its bands asunder and cast away its cords from us.

It is here that anarchists and socialists divide. The strictly economic tenets of the two parties are identical. Both restrict the legitimate range of private property to that wealth which, like food, clothing, houses, books, and similar personal belongings, has no other destination but to be consumed, making it the business of society in general to administer both the great instrumentalities of production, land and capital. They agree in repudiating as an accursed thing the entire *laissez-faire* belief. The system of free competition, both say, never brings with it fair competition, but is instead a ruthless war of strong with weak. It is wasteful, they further affirm, through lack of co-or-

"Anarchy" means, literally, "the absence of rule or government."

dination in industry and through failure neatly to adjust supply and demand; and it continually lets vast amounts of land and capital lie idle, because this is cheaper for the owners, murderous as it is for society.

And the two philosophies are at one in assuming that the public conduct of productive industry would remedy these evils. The thought is that an indefinitely more copious production would thus result, making it safe heavily to bond the country, if necessary, to pay off present proprietors. The improvement is expected to come in part from a more perfect organization of industry, saving waste of labor and of capital, but mainly from the fresh hope and courage which would inspire the laboring masses. All willing to work might have work. Thirst for inordinate wealth would cease. Every hour's toil would be paid for at its true worth, no deduction being made to pamper the lazy capitalist in his useless life. Through a system of labor-time money, each commodity or service would be purchasable at its precise cost in labor. Society would no longer be robbed by gambling in stocks or produce, or industry palsied by fluctuations in the value of money. Commercial crises would be unknown, while, corporations being no longer possible, their threat to just government, along with the frauds of their managers, would have passed away forever.

Karl Rodbertus was born in 1805. His father was a professor of law in the University of Greifswald. The young man visited various universities in the course of his education, pursuing law, political economy, history, and philology. He also traveled for a time. Then he settled down upon his estate of Jagetzow, in Pomerania, from which, after a common German custom, he is often styled "Rodbertus-Jagetzow." But Rodbertus was not, at once, at least, to be permitted the easy life of a Prussian "*Junker*." He found his way first into the diet of his province, then into the second United Prussian diet, which convened in 1847. He was also a member of the famous Frankfort Constituent Assembly of 1848, and labored most zealously to bring the Prussian government to adopt the constitution which



that Assembly prepared. Finding this impossible, like a host of other noble patriots of his time, he retired from public life, disgusted and despairing. When, at last, through the rise of Bismarck and the National-Liberal Party, German unity was achieved, he saw and gladly recognized the fulfilment of his long-cherished hopes. But by this time he had come to regard the political ailments of Germany of little consequence compared with its social and economic woes; and the consequence was that although living till 1875, he could not be persuaded to enter politics again, but spent his years and powers in socio-economic study and writing. His labors were little known during his life, but have since brought him much renown. Among the economists of Germany he, not Marx or Lassalle, is considered the master-author of the socialist-philosophy

To do full justice to Rodbertus's philosophy we should have to re-think his criticism of society as now constituted economically. He tells us, what every reflecting person knows, that there are dreadful insanities in existing economic arrangements. Only, far more impressively than any of us can do without long and hard study, he sets forth the height, depth and sweep of these evils, and tries to show that they are not necessary to the good connected with them and often made their apology. We cannot follow the great socialist in detail, but we have from him one or two special ideas on the subject which ought not to be omitted even in so brief a survey.

Rodbertus believes that the existing economic society inevitably encounters commercial panics at frequent intervals. A period of prosperous production has place, wages are high and goods are multiplied. By and by wares do not sell well, and the manufacturers wonder. The explanation, Rodbertus assures us, is perfectly simple. The hand-workers, naturally the great mass of the purchasers, cannot continue to purchase freely, because the faulty and inequitable distribution which the present system inevitably involves, is continually lessening their share of the total social product. Want is prevented from becoming effective demand. The crisis is a rough method of redressing

the unequal distribution, by getting goods into the hands of the poor at less than cost. When, at excruciating pain to all, this process has been achieved, the wheels of industry start anew, only, however, to become clogged again in due time, by the same causes as before.

Other crying vices of economic life as now regulated are, according to our author, riches without merit, poverty without demerit, men forced to serve men, cross purposes in production, inducing infinite waste and injustice, idle wealth that might be aiding industry but is not, fraud in trade and manufacture, and the tyranny and menace of corporate power.

Rodbertus proposes a regimen for the correction of this terrible depravity in our economic relations. Its ideas are few and simple, but sweeping. Practically they reduce to two.

One is that the state shall own and administer, as the sole and universal *entrepreneur*, both the essential helps to human production, viz., land and capital proper. The last, capital proper, means all wealth whose sole destiny is to increase wealth, such as mills, machinery and tools, means of transportation, warehouses, stores, and the like. On the other hand, wealth destined for personal use, as clothing, books, works of art, horses, carriages, and probably dwellings, though produced by the state, could be purchased and be subject to private ownership. Of such things every citizen would be free to possess all that his industry and thrift would bring him, and to make use of it as he pleased, without let or hindrance from any one.

The other proposition is, that all labor of every kind is to be paid for in labor-time-money, or certificates of labor, and the prices of all things fixed and stated in terms and denominations of the same medium.

In issuing these certificates to pay labor, the hour or day of ordinary, unskilled labor is to be taken as the unit, and all forms of skilled labor to be reduced to a common denominator with this, by accurately ascertaining the time and cost required to master those higher forms. Thus, while the street-sweeper or the shoveler would get a unit of the time-money for his day's

work, the journeyman watchmaker would get, perhaps, four for his, the master watchmaker seven or eight, and so on. All money and all wages or salaries will consist of tickets representing so many hours or days of simple labor.

Each product of labor, on the other hand, is to be stamped with the number of hours spent in its production, the skilled labor, if any, being reduced to its equivalent amount of simple labor.

Suppose the whole community's-day's work to embrace nine million individual-day's works of six hours each, unequal quality and intensity being reduced to simple labor time. Then the whole daily product will be equivalent to six community-hours of work, or to fifty-four million individual-hours of work. If the daily demand for public purposes averaged one-third of the product of a community-day's work, a very liberal estimate, there would remain as goods to be consumed each day by individuals the equivalent in cost of four community or thirty-six million individual labor hours.

Provided the kinds and groups of goods composing the part of the national product consumable by individuals, could be made, through precise statistics and practical equalization from the public reserves, to correspond exactly to the kinds and groups of individual demands, then one could calculate exactly what part or multiple of a single average day's work each portion of every kind of goods ought to exchange for, so as to attach the proper label. A man's orders upon the various forms of goods desired and accessible could cover at least two-thirds of the product of his normal day's work of six hours.<sup>1</sup> In fact, products left behind by deceased people with gifts from the public spirited would probably cover so much of the public need that each citizen could, as a rule, consume nearly all that he created.

You work, and your pay consists in an amount of labor-time tickets precisely answering to the number of hours you have wrought, reduced to the simple labor hour scale. Wishing to

<sup>1</sup> SCHÆFFLE, *Bau und Leben des Socialen Körpers*, iii, pp. 334, seq.

purchase, you are given, at any of the state's bazaars, wares whose cost in labor-time, as stamped on them, precisely equals the labor-time which it took you to earn the tickets given in payment. "To every man according as his work shall be."

See what, according to the socialist expectation, follows from the realization of these two ideas, state industry and time-money.

1. Crises come no more. There is just enough production in each line to answer the demand, as revealed by careful statistics; while, since workers now get their full share of product, want in every case becomes effective demand, so that no stock is left over. No shops or machinery rot unused. The New York Central Railway no longer hauls San Francisco freight from Rochester first to New York and then straight back through Rochester again. Fatal competition of railway with railway and of shop with shop is abolished forever.

2. Every one who will has work, and at an absolutely fair and equitable wage, out of which nothing is kept back to pamper any one in idleness; yet no one, in order to secure work or to keep it, has to duck or subject himself to his fellow-man.

3. Corporations exist no longer, since there is no work for them: the state producing everything which any one demands. Also, corporations gone, stocks, the stock market, and the whole blood-sucking business attaching thereto, is entirely banished.

4. Money, as known to history, is no more, having given way to a substitute far its superior. Its fluctuations, with the silent blight they used to spread abroad, no longer afflict. Gold and silver may all be used in the arts. If their cheapness disgusts people with them, far less will be produced and so much toil set free for things more useful.

5. The full benefit of monopolies and of production on a gigantic scale will be realized, and will contribute, not to feed and foster a small band of *bourgeoisie* barons, but to enrich and exalt to a rational life the entire commonalty of us now in vain struggling to rise.

We have thus set forth Rodbertus's diagnosis of Society's economic disease, and his proposal for a cure. Both have been described fairly, and indeed sympathetically rather than the reverse. How far, now, can we agree with the teacher whom we have been following?

Most of us would probably go a good way toward acquiescence in his account of our economic distress. Altogether valuable as well as grave is the truth he tells us in that regard. But when the renowned German proposes for the cure his thoroughgoing scheme of state undertakings, we make a long pause. Many pause and do no more; or if they speak it is only to curse and swear. That is not right. Wise are the words of Schæffle: "You have not refuted a practical thought when you have sketched no plan whatever by which it might conceivably be carried out, or even drawn a caricature of such. Fairly to judge ideas of this sort, having a practical aim, you must set to work by supposing the most reasonable scheme for their execution which you can think of."

Public ownership of land and capital is of course quite conceivable. Already, here as in every other civilized country, the state is the greatest single owner of both capital and land, and the most extensive single employer of labor. If necessary, it may extend its economic sphere.

But such state contractorship would avail nothing apart from the institution of labor-time money, to fix the prices of things by their cost, and about this a thousand insurmountable difficulties gather.

Do not count as chief among these the problem of reducing the different forms of activity usually recognized as labor to hours of common labor, because, the system being once launched, any kind of ordinary toil at first estimated too low would be deserted, as any appraised too high would be sought by crowds and overdone.

Another step, however, brings us to utter perplexity. While labor is the main cause of value, there are various con-causes, so that the amount of labor in a commodity is almost never, and

never with certainty, a measure of its value. And further, even were labor a perfect gauge of value in every case, it is impossible to estimate with any accuracy the amount of labor stored up in any given article. You cannot find out how much labor is in a thing, and if you could, it would not exhibit its value. These facts make Rodbertus's scheme utterly unworkable, or at least so complex and hard of application as to destroy all hope from it of greater equity in distribution than now exists.

The labor of public officers, of teachers, and of men engaged in useful scientific pursuits enters into every manufactured commodity but intangibly and very unequally. Still if you wish to allow for it, to increase the price of a brick, say, to help to liquidate the chief justice's salary, there is no other way than to lump his salary with all expenses of that order, and to distribute the resultant sum over bricks and other products according to their cost apart from these peculiar general expenses. Such distribution could not be effected with more than the roughest approach to fairness.

This is perhaps why Rodbertus does not pretend to reckon governmental expenses and the like, or even salaries for superintendence or for any form of intellectual work, into the cost of producing wares, and why he identifies labor with material labor. But he does not thus evade the difficulty, since he is forced to institute a system of taxation to meet those general outlays, and the assessment of the tax would involve the very same inequity as the distribution of the cost just referred to.

Again, the labor of a painter or sculptor, of an architect, of an orator, of a singer, of a skilled physician, is material labor—labor therefore in Rodbertus's sense. But how can such species of exertion be reduced to a time scale? Who, for instance, will undertake to measure in hours of simple labor one hour's work of that great contemporary surgeon who has performed ovariectomy one hundred and twenty five times without the loss of a life?<sup>1</sup>

<sup>1</sup>Dr. THOMAS KEITH, of Edinburgh. Dr. TOMSON TAIT, of Birmingham, reported in the *British Medical Journal*, Nov. 17, 1888, p. 1096, his second series of 1,000 ab-

Again, suppose that a laborer has been receiving for a given amount of work ten hours of labor-time money, but that after some months the numbers crowding into his trade make it clear that nine hours was his proper wage. He is accordingly cut down to nine hours. Is the state at the same time to lower the label-price of that product ten per cent., that is, from ten hours to nine? Manifestly not, for that were to throw away what was unsold at the time of the reduction. The price would have to be reduced gradually from ten hours to nine; but every one who has purchased before that figure is reached, will have been, by Rodbertus's principles, cheated, having been forced to pay for his ware more than its labor-cost.<sup>1</sup> The same occurs if a ware has been costing a hundred hours of labor-time, and a new machine is invented which reduces this number to fifty. The price must be lowered gradually or the old stock will be wasted.

Again, there are certain desirable goods which cannot be placed in the market every day in quantities just sufficient to supply all who want them. Potatoes may rot between two harvests. In agriculture, no art will ever be able to equate supply and demand exactly. During the snow blockade of March, 1888, milk sold in New York city one day for five and six dollars per can of forty quarts, and the second day after for a dollar. There is hardly one product which may not at times thus have to be offered at a scarcity-price instead of its cost-price. If the price in such a case is simply the labor cost, only the first comers after the turning out of each new batch can be served, the rest going entirely without. Were the commodity bread-corn, they would starve to death. Such "getting left" would be as bad as old *laissez-faire* privations, not to be tolerated.

But there would be no means of avoiding it except to raise the dominal sections performed within the last four years. Death rate, 5.3 per cent. His ovarian and per-ovarian cysts showed a death rate of 3.3 per cent. This is the most remarkable record of 1,000 abdominal sections as yet reported. In his previous report of 1,000 cases the death rate was 9.2 per cent. His last thousand reduced it to 5.3 per cent., a great improvement.

<sup>1</sup> For this, and the strictures immediately following, I am indebted to ADLER, *Rodbertus*, 69 seq.

price and find out who wanted such articles most,—departing, that is, from cost price, and so from Rodbertus's principles.

Again, there are very many articles, like wine, wood, and timber, which, after their production proper, take on value by simple lapse of time. Our author's theory requires us to sell old wine at practically the same cost as new, seasoned timber as low as green. But if we do, depend upon it, lame and asthmatic people will never get any old wine or seasoned woods, all being taken before they arrive. Such things, too, must be sold at prices not according with their cost, but according with the demand for them.

There will, also, in spite of the best possible management, be shopworn goods, goods left over from the old year, and goods out of taste as to style, an enormous class in all, which must either be thrown away or disposed of according to demand, at far less than cost.

Again, the productivity of a nation's labor varies with periods. Now the prices of wares for the current period, if the rule is followed, must of course be fixed according to their labor-cost in some preceding period. In all likelihood, therefore, it will never happen that labor will be exactly remunerated according to the theory, and the dissidence must often be immense. The only way to mollify this evil, which can never be entirely removed, will be to price nearly every class of goods, now higher, now lower, than their cost.<sup>1</sup> This fault of the theory is wholly independent of the preceding ones. Sometimes it would of course more or less offset the others; sometimes it would aggravate them.

This criticism suggests another, that, in the long run, as production is cheapened, labor-tickets that have been some months outstanding increase in purchasing power. Two results follow from this, both significant: (1) the utter impossibility of labeling goods in agreement with the costs of all tickets, old and new, that purchasers may offer; and (2) the encouragement of hoarding, which is contrary to the entire genius of Socialism.

<sup>1</sup> ADLER, *Rodbertus*, 71.



The tickets, we well know, under Socialism are not to be permitted to draw interest. How, unless through punitive statute, loaning at interest will be prevented by Socialism, the writer for his part could never see. The system certainly admits of it. It must be intended to make borrowing and lending a crime.

Again, the demand for a given class of goods, and also the pressure into a given avenue of labor, will vary with the years, and it may thus come to pass that a given sort of work grows popular just as the demand for its products falls off. The state must either lower the wages for such industry, raising them when the reverse conditions prevail, or else assume the tyrannical office of forcing citizens into and out of employments like so many cattle.

Again, it is a principle of the method we are studying, that the labor-time-certificates existing at any moment shall foot up in hours exactly the same aggregate as the time-cost labels on all the state's products then remaining unsold.\* Accordingly, when, as for instance in case of scarce wares, prices above cost have had to be affixed to labels, all other wares must be relabelled below cost to preserve the balance between the label-aggregate and the time-money aggregate.

One cannot help mentioning it as another count against the plan of society here under review, that by it all foreign trade would probably have to be excluded in order to keep goods from being sold at less than state cost at home. That would, of course, throw the domestic supply and demand into confusion and hence be inadmissible. But the restriction thus rendered necessary could not but entail needless cost in production, besides greatly hindering in its march the world's civilization. The alternative to exclusion would be foreign trade under state regulation, but there is no way by which the cost of imports in domestic labor-time could be kept the same for any number of weeks.

We have thus discovered, it would seem, that Rodbertus's and

\* Tickets paid in for goods are supposed to be destroyed or else placed in reserve to be paid out as wages for the creation of new goods.

incidentally that every effort to make cost the rule of price must fail. Rodbertus's plan would, it is believed, leave the gap between prices and costs fully as great as it is under free competition; while it would secure this far approach only by continual artificial tinkering with price-lists, which would at best be costly, and would keep the public authorities under perpetual suspicion of jobbery.

This opens another difficulty. Suppose that the scheme were intrinsically feasible, and that all we have thus far urged to the contrary had to be unsaid. To succeed, such a social order as Rodbertus wished would require in public servants not only almost preternatural skill, but also a stoical hardihood of integrity more difficult as yet to find than the philosopher's stone.

And it is impossible to suppose that that wonderful process of invention, mastering nature and bringing forth ever new devices for the comfort and the elevation of mankind, would go on as now were the spurs of individual initiative and special personal profit removed. It is easy to reply that philanthropy will take the place of these. It might, but whence is the philanthropy to come? Give us love of man in due degree, and we can work the present system felicitously.

And the proletariat? You will read socialists' tomes in vain for any sufficing word telling how their system is after all to remedy unenforced poverty. There are hints. We learn, for instance, that when it amounts to something to save and lay up and try to get ahead, people will be thrifty. There is much in this thought, but there is not enough. Hope, even certainty, of competence by work will not cure that deep, that total depravity of laziness which curses at least one per cent. even of our Saxon population. Go into any country town of New England. Look around, and you shall find middle-aged American men in rags, without a cent's worth of property or of credit, who but for this damnable economic vice might be independently well off; without large families, never sick, having never seen a day when they could not have earned fair wages if willing to work. What would Socialism boot such men? Nothing. Their need is a

moral one. That, however, is a species of lack which no socialist ever properly recognizes.

Finally, let the socialist deny it or disguise it as he will, his ordering of our economic life would certainly dull energy, repress personal initiative and level humanity downward a good way while leveling it up, as it might, a little. The whole administration of Socialism must be a process of lumping and averaging, wherein the best men would be mulcted for doing their best and the poorest not mulcted for lagging behind and taking things easily. Socialists tell us that in their millenium no charity will be given. They cannot, however, mean to let the honest victims of accident or misfortune starve. For such there must be regular provision. And how will fraud upon the eleemosynary fund be prevented then more than now? There can be no mistake: the thrifty will continue to be the prey of the thriftless. Without an entire transformation of human nature, no system of Socialism yet devised offers any relief that cannot be had by other means; while any such resort must threaten evils the most dire and desperate.

E. BENJ. ANDREWS.

BROWN UNIVERSITY.