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THE LABOR PROBLEM

PLAIN QUESTIONS AND PRACTICAL ANSWERS

EDITED BY

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WITH AN INTRODUCTION BY

RICHARD T. ELY, Ph.D.

AND

SPECIAL CONTRIBUTIONS BY

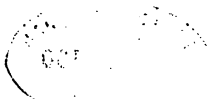
JAMES A. WATERWORTH AND FRED WOODROW

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PREFACE.

THE greater part of the matter contained in this volume appeared originally in the columns of *The Age of Steel*, St. Louis. It has, however, been carefully revised and rearranged. The contributors to the "Symposium on Various Phases of the Labor Question," and the chapter on "Trades-unions and Arbitration," are busy men who were compelled by the circumstances of the case to write briefly.

THE EDITOR.

CONTENTS.

	PAGE
CHAPTER I.	
CO-OPERATION IN LITERATURE AND THE STATE	7
<i>By Richard T. Ely, Ph.D.</i>	
CHAPTER II.	
THE CONFLICT HISTORICALLY CONSIDERED	17
<i>By James A. Waterworth.</i>	
CHAPTER III.	
A SYMPOSIUM ON SEVERAL PHASES OF THE LABOR QUESTION.	
MOTIVE OF THE INQUIRY. VIEWS OF POLITICAL ECONOMISTS	52
CHAPTER IV.	
A SYMPOSIUM— <i>Continued.</i>	
VIEWS OF MANUFACTURERS	75
CHAPTER V.	
A SYMPOSIUM— <i>Continued.</i>	
VIEWS OF WORKING-MEN.	113
CHAPTER VI.	
A SYMPOSIUM— <i>Continued.</i>	
VIEWS OF DIVINES	

CONTENTS.

	PAGE
CHAPTER VII.	
<i>A SYMPOSIUM—Continued.</i>	
VIEWS OF LABOR COMMISSIONERS	158
CHAPTER VIII.	
<i>A SYMPOSIUM—Continued.</i>	
VIEWS OF JOURNALISTS AND OTHERS	167
CHAPTER IX.	
A PLEA FOR PROFIT-SHARING	200
CHAPTER X.	
TRADES-UNIONS AND ARBITRATION	231
CHAPTER XI.	
SIDE-LIGHTS ON THE LABOR PROBLEM	256
<i>By Fred Woodrow.</i>	

THE LABOR PROBLEM.

CHAPTER I.

BY
RICHARD T. ELY, Ph.D.

CO-OPERATION IN LITERATURE AND THE STATE.

CO-OPERATION has been urged as the only satisfactory solution of the labor problem; and there can be no doubt that in the one form or other it will yet be the predominating influence in the production and distribution of economic goods, though it does not now seem probable that its early advocates were quite successful in their attempts to lay down the lines of its future development. However that may be, the various kinds of co-operation are gradually making their way, and are winning success of large proportions. This movement has not been sufficiently appreciated, and has, indeed, never been adequately described. The latest brilliant achievement to be placed to the credit of co-operation is in literature, in which, indeed, it is making rapid headway. An example may be found in a work on our own history. It appears that we are at last to have an excellent history of America. Individual effort has often essayed the task, but has never succeeded in giving us such a history. Finally, however, Professor Justin Win-

essor, of Harvard University, secured the co-operation of fifteen "learned and historical societies," and of more than twice that number of writers, and planned his "Narrative and Critical History of America." The warm reception accorded the first published volume seems almost to justify the estimate of the value of this method made by Professor Winsor's publishers in their prospectus: "When the superiority of the co-operative method is fully understood, the individual historian, if he ventures forth at all, will be read for entertainment rather than profit."

Political economy furnishes a most telling illustration of the advantages of co-operation. The science has grown to such dimensions that even the specialist can scarcely master the whole of it, while few can hope to be original investigators in every department of this growing branch of learning. There was a time when even the *dilettante* in economics could, on short notice, venture to prepare a text-book of political economy, but such a person will now turn away from the task, provided he has any regard for his future reputation. The late Stanley Jevons, profoundly impressed with the vastness of the work of the political economist, urged the necessity of the establishment of several chairs of economics in every great university, because he thought the science too large for any one professor. It will readily be admitted from all this that it is hardly reasonable to expect a single author to write a satisfactory economic treatise; and, as a matter of fact, the only text-book of political economy which presents the science as it is to-day, is the great work edited by Schönberg, and written by more than twenty of the most distinguished economists of our time.*

* Schönberg's "Handbuch der Politischen Oekonomie." Tübingen, Germany. Second edition. 1886.

The story of co-operation itself will soon offer an example, for the writer of these lines has undertaken to edit a "History of Co-operation in America," to be written on the co-operative plan, and six persons have promised their co-operation. The present work also illustrates the advantages of co-operation in literature, and the value of the method is such that it must have its own place—and that an important place—in the labor literature of America. Editors, economists, clergymen, manufacturers, working-men, and statisticians have united their efforts to give us a presentation of certain phases of the labor problem from every point of view which can demand a hearing. Every side is represented, and each one is allowed to speak in his own words. The projectors of this work would be the last persons to claim for it that it exhausts the subject under discussion, but they may well urge in its behalf that it is a valuable contribution to our store of knowledge, and is worthy the attention of all serious minds.

It may be well, in this introduction, to call attention to one fundamental factor in every economic and social question of our time, namely, the State; for the fact is not sufficiently appreciated that reformation of our State life must precede any solution of the labor problem.

"The State," writes a valued correspondent,* "is the largest form of our social life. It embraces all other forms, and, to a larger extent than is generally comprehended, determines their limitations."

The State is the starting-point of modern industrial as well as social life, and the necessity for a more careful study of State relations and a higher State life proceeds from the fact that a wrong beginning deranges and vitiates all our subsequent work. Imagine the absence of the

* In a private letter.

State. What have you? Why, anarchy; and anarchy means a return to barbarism and the overthrow of the work of centuries. The State implies order and the continuity of progress, the cumulation of the efforts of passing generations until the destiny of mankind on earth is attained. The State alone can guarantee the existence of the peaceful association of man with his fellows, and only through such association can we advance in wealth, knowledge, and moral culture. It is on this account that Aristotle proclaimed the memorable sentence: "Man is by nature a political being," or it might be better to say "State being," to avoid the use of a degraded but once noble word. This is also what was meant by the distinguished German economist, Gustav Schmoller, when he uttered these pregnant words: "The State is the grandest existing ethical institution for the education of the human race." The State means the conservation of energy. It is the only agency through which this energy of civilization can be maintained. This is the explanation of the divinity of the State. It is the product of our human nature, and was designed by God to be, with the family and the Church, the basis of the social, economic, and ethical life of man. St. Paul was profoundly moved by the idea of the divinity of the State,* and this is the truth which was misapprehended and perverted when this special sanctity was transferred to a particular person, and the alleged "divinity of kings" was raised up as a barrier against progress. It is the recognition of this truth in all its bearings which constitutes the grandeur of Socrates' death. The laws were wrong, and an innocent man had been unjustly condemned to death; but Socrates refused to flee because he held obedience to the State to be a sacred duty.

* *Vide* Romans xiii.

It is in vain to urge the corrupt condition of our political life as an argument against an exalted view of the State. It has been well said by a gifted friend of the writer that one might as well carry on a crusade against the human skin—not the skin of any one man, but human skin in general. What a dreadful thing indeed is this human skin! Full of sores and all manner of disease, and a constant source of pain and a frequent cause of death! What does the reader say to one who argues like this? Why, he replies, “To be sure, my friend, disobedience to the laws of nature on the part of past generations, as well as on our own part, has produced disease and suffering; but our skin is something necessary to our existence. Let us direct our attention to the improvement of our natural covering by the application of the principles of hygiene and medicine, and let us determine hereafter to lead upright lives, such as must be approved by God and man. We may then hope to improve the human skin. This is our only possible course, for without it we cannot live.”

Some have said that the duty of the State must be restricted to the protection of life and property against fraud and violence. This is a narrow and inadequate conception of the State; but even the performance of these functions requires a vast apparatus, and the end in view can be attained only by the co-operation of a multitude of able and upright men. We can make no beginning in civilized life unless person and property receive tolerably good protection; but this requires soldiers, judges, legislators, diplomatists, scholars, clerks, and other classes of civil service employés. But even when the State does least, it must prescribe regulations concerning contracts, and must enforce them when they conform to these regulations; laws governing inheritance must be passed and executed. Laws are likewise everywhere found designed to promote the

welfare of the weak and the feeble—in particular of the insane—of children, and of the aged. Every Christian country further attempts to throw a special shield about woman. It is also found necessary in every advanced country to regulate coinage and to establish normal weights and measures. It is seen then how large must be the range of the functions of the State, even were it attempted to make the State conform to the ideas of those doctrinaires whose watchword is “*laissez faire*,” or, let people take care of themselves, let the State not intermeddle in industrial affairs.

But the result of attempts to apply this narrow view is always disastrous. There are many functions of a general nature which the State must perform or transfer to individuals, and transfer with these functions the power to govern and to oppress the people. The idea is to stimulate individual initiative and individual industry, but the consequence is that a few clever or fortunate people—often successful because more unscrupulous than others—restrict the activities of their fellows, and effectually repress the freest expansion of the energies of the people. This is the essence of the just complaints of those who cry out against monopoly. Rulership is transferred from the people to a few. We start with the intention of securing unlimited freedom; we end in the supremacy of an offensive and uncontrolled oligarchy.

The prosperity of the people requires that the State—which is nothing but the people in their collective capacity—should perform functions which cannot be transferred to private parties for any one of these reasons: namely, because they in their nature are not suitable to be performed by any other than a public and responsible authority, like the administration of justice, and like the post-office and telegraph; because private parties can never be

trusted to furnish an adequate and satisfactory supply of a particular category of goods and services generally needed, as, for example, schools of all kinds and certain great public works like river and harbor improvements; because private methods are too wasteful, or because private parties cannot be relied upon to exercise justly the immense power which would thus be transferred to them, as, for example, canals, roads, and railways. Dr. James perceived the fundamental character of these services when he replied to the questions sent out by the *Age of Steel*:* "Arbitration, profit-sharing, productive co-operation are all expedients—makeshifts, I had almost called them—which may help tide over a crisis in national industry, but which cannot be relied upon to keep permanent peace and order. . . . I would only call attention to one set of forces which, to my mind, cannot much longer be allowed to work unchecked without seriously aggravating the problem. I mean those forces which control in the management of our most important means of transportation, viz., the railroads. . . . No system of co-operation or profit-sharing, or even arbitration on a large scale, can succeed until it is possible to make some estimate of the railroad tax, which is in many cases destructive no less by its amount than by its uncertainty."†

When the reader reflects upon these principles, the fact will become clear that the proper functions of federal, state, and municipal government are many and are of fundamental importance. They must be performed in order to promote justice between man and man, and also to encourage the development of individual activity. The proper fulfilment of public functions will give the best stimulus to self-reliance and self-exertion. People must secure

* *Vide* p. 64.

† *Vide* p. 66.

by co-operation the means for individual development. We thus find a proper field for the exercise of every faculty of man's nature, and we discover that socialism and individualism are alike destructive, while the normal condition is the satisfactory union of the two forces. It may even be that individualism is the more injurious of the two when carried to an extreme; for in such a case the strong and cunning, either as individuals or in combinations, will grasp the means of development in economic and social relations, and will deny them to the many, and the prostration of hope—which is seen to some extent among us now—is deadening in its private and public consequences. On this point wise words uttered by John Stuart Mill should be seriously pondered: "Energy and self-dependence are, however, liable to be impaired by the absence of help, as well as by its excess. It is even more fatal to exertion to have no hope of succeeding by it than to be assured of succeeding without it."

Of how many are the energies paralyzed by the single item of freight discriminations? How great a load is legitimate enterprise bearing on this account? Is it not true that any rational hope of success in more than one leading line of industry is thus rendered impossible for those not in rings?

Christianity teaches us that we are all brothers, and the recognition of this truth is forced upon us in the State. It was never intended that each one should live in and for himself, and all attempts to organize society on this basis will fail disastrously, while true success will accompany us in proportion as we recognize the brotherhood of man in public and in private relations.

Another reflection which must not be omitted is this: Glittering generalities will never solve any social problem, and this is a truth which the Church in particular needs to

bear in mind. It is all very well to say, be good, love your neighbor, obey your God, and these things must be repeated often, but they must also become incorporated in our institutions, and must become an animating force in the State. Love and goodness must indeed often be backed by a strong force, the force of the State. The majesty of the law and the sword of the sovereign cannot be allowed to become empty names. Force and authority have their own proper sphere. Take compulsory education. The compulsion is a power which gradually lifts people above its own ethical plain. It is felt only by those who live below that level. We often hear it said, Yes, it is true that the State, this great compulsory co-operative society, ought to do this thing and that other thing which you mention, but we cannot trust the State. It is too corrupt. This is precisely the same argument which has been used against the Church. It, too, has become corrupt, and a few hundred years ago there was more room for an argument in favor of the suppression of the Church than now for the abolition of the State. But the great men in the Church, those alone to whom we owe a debt of gratitude, have not said "abolition of the Church," but "reform of the Church;" and reform has come by persistent effort, reform is still progressing, and will continue to progress, and we may thank God every day we live for his Church. So must it be with our State. We want a great reformation in our State life, and here is a vast field for the most earnest activity of our clergy. The ethical duties and the holy privileges of a citizen of a republic must be enforced in season and out of season. This is a crying moral and economic need of the hour. Men must be taught that it is a grand thing to serve God in the State which he in his beneficent wisdom instituted, and that to betray a trust in

the divine State is as heinous an offence as to be false to duty in the divine Church.

Is not one reason for the corrupt condition of our present State to be found in the undue restriction of its functions? It has been denied its proper functions, and under the materialistic drift of mercantilism which has overwhelmed us, our strongest men have preferred the services of private individuals and corporations to the service of the people. Is it not further true that our State, unable to cope with great corporations which should never have existed—for all the people should be stronger than any private combination—has been too weak to be good? Or is it strange that men who from youth up have been taught to take a low view of the State—perhaps even have been told that the State is a necessary evil, instead of what is true, a necessary good—is it strange that those who their life long have listened to the expression of such low, de-graded views of the State, should, under pressure of temptation, drift into smuggling, bribery, defalcation, and all kinds of public corruption? No, it cannot surprise the thinking man.

Co-operation is a good thing; arbitration is a good thing; profit sharing is a good thing; but let us remember amid all this discussion that every hope of a permanent reform in industrial and social life must be illusory unless it has a firm foundation in a lasting State reformation.

CHAPTER II.

BY

JAMES A. WATERWORTH.

THE CONFLICT HISTORICALLY CONSIDERED.

THE laborer and the capitalist throughout the civilized world stand face to face this day in grim antagonism. The most peaceful relation anywhere existing between them is one of armed truce, which may be broken at a moment's notice. The conflict is an old one, and has furnished much material for the orator and the essayist, and deserves special attention at this time only because of the recent organization of one of the parties, and of the swiftly changing relations between them consequent on that organization. For centuries, with but few intervals, the capitalist won the battles and divided the spoils. For centuries the laborer toiled, always in poverty, and sometimes in chains. On the side of the capitalist were education, organization, and law. The laborer fought singly, was uneducated, and under the ban of the law. The situation has changed; and to-day the laborer, unshackled, fairly educated, earning an independence, and a member of powerful organizations, maintains the conflict on almost equal terms. The only disadvantage under which he fights is the difficulty of maintaining organization in so vast and mixed a multitude. That so thorough an organization has been effected and is maintained is one of the signs of the times. These changed relations between parties forming

the effective strength of the body politic amount to revolution. We are therefore concerned to watch the progress of the conflict with jealous scrutiny.

Revolutions, however wholesome, are dangerous, and require the cool head and the honest human heart to direct them. Of these the native race have given ample proof in times more trying than the present are likely to be; and if they direct the movements, we may look on or act our part with interest unmixed with fear. What the issue shall be depends on the ability and endurance of the parties, but above all, and finally, on the justness of the demands and the reasonableness of the methods. This much may be said, however, that Labor is fighting along a line of development to some points that will probably be reached; and Capital is fighting on a line of conservation to hold points some of which will have to be given up.

The element in this struggle which excites grave apprehensions is the intense bitterness and animosity which occasionally flash out in acts of violence, and which characterize the literature and oratory of the conflict. They give a passing glimpse into a volcano of hate, smouldering beneath the crust of deference to law, which may at any moment break forth into acts of fiery violence. Why the differences between the laborer and the capitalist, or between employer and employed, should develop such heat is not apparent from the nature of the grievances usually alleged by either party. The grievances openly proclaimed as the causes of hostility are frequently childish, unreasonable, and unworthy of serious attention. In the majority of cases they centre round some worthless fellow or some fancied wrong, and create irritation and excitement without touching any of the great issues between the capitalist and the laborer. There is in fact no natural antagonism between Capital and Labor to account for this bitterness.

On the contrary, they are natural allies; nay, more, they are members of the same body, the connection between them is a vital one, and not to be severed without the destruction of the social frame. A conflict between them would be as unnatural and suicidal as a conflict between the members and the body. Economic and social science refuses to contemplate such a possibility, but invariably postulates their harmonious and sympathetic working. Capital cannot exist without Labor, nor Labor live without Capital, nor society without both. Why, then, this intolerable bitterness between the suppliers of capital and the suppliers of labor?

It may be said that the equitable division of the joint product of the labor of any two parties contributing different elements to the production affords matter for endless differences, according to the judgments, temperaments, and consciences of the parties. But all this is matter for adjustment by arbitration or by the courts of law construing the agreements under which the parties have jointly worked. These modes of settlement are in constant use by men in all classes of business, and the idea of a settlement of such differences by violent means would be considered ridiculous. Why are violence and bitterness necessary accompaniments only of disputes between employer and employed?

This is a question on which the present is silent, or at most points only to the unreasoning and unreasonable passions of men. But this is an age in which, less than in any other, such an answer would suffice. Great masses of freemen are not usually moved by unreasonable and conscienceless passion to any organized and sustained course of conduct. This is an age and a country in which, more than in any other, an enlightened judgment and a sincere respect for lawful and orderly procedure characterize the

ordinary movements of masses of the people. We must look farther for the causes of this bitterness. It is proposed in this paper to appeal to History, and inquire of the by-gone centuries what they have to say for the enlightenment of the men of the nineteenth century on this, the question of the day.*

THE LABORER A SERF.

When we first meet with the laborer in history he is a serf. The ownership of land in the country, and of house and ground in the incorporated town, was the badge of freedom and the basis of all political rights. Every landless man must have a lord, entitled to his services and responsible for his conduct. He cannot leave his lord's demesne without a written permit, or he will be pursued by the sheriff and brought back. He cannot offer his labor in the highest, nor in any market—it is his lord's. His son cannot go into the neighboring town to learn a trade—his services are the lord's. His daughter cannot marry off

* This paper confines the examination to the relations between the English capitalist and the English laborer, because these are the only parties to the question concerning whose relations we have continuous testimony over long periods. The authority for prices and wages is Mr. J. E. Thorold Rogers, whose "History of Agriculture and Prices" is the one authority for such facts prior to 1582. For the laborer's condition, socially and politically, during the same period, Stubbs's "Constitutional History" is an authority. For later facts the works of Cunningham, Howell, Brassey, Giffen, and Mulhall have been consulted.

The unit adopted for comparing the laborer's condition at different periods is the price of one bushel of wheat, half a bushel of malt, and twenty pounds of beef. Wheaten flour, bread, ale, and beef were almost the sole articles of the laborer's food down to this century, and the quantity given above would go near feeding a family of four persons for two weeks. When rent and fuel become items of the laborer's expenses they are added.

the estate—her lord having vested rights in her offspring. It is true, the serf—unless of the lowest class of thralls—cannot be sold; he is *ascripticius glebæ*—fettered to the soil. If the land went to a new owner, the serf followed it to the new lord. He was not permitted to enroll himself in the national militia; he could not sue in the courts; he had no rights as against his lord, nor against any free-man except through his lord. On the other hand, the lord was bound to maintain his serf's rights against every one else. There were countless bitter and oppressive limitations hedging in his liberty, and giving him notice in almost every act of his life that, if not a slave, he was not free. His physical condition was, nevertheless, very much better than that of his free but pauper descendant of four centuries later. He had a cottage and garden at a nominal rent; when his lord claimed his services, he was paid a penny a day and his food; when not working in his lord's demesne, he was free to cultivate his own little patch of ground; he had rights of wood from the forest for fuel, and of pasture on the commons for a certain number of cattle and hogs—rights not by title-deed but by immemorial custom, the loss of which by his descendant, the modern laborer, is one element of his decayed condition. Mr. Rogers estimates his possible income from all sources at this time (A.D. 1260–1350) at about £4 (\$20), his necessary expenditures at about £3 (\$15). The estimate of expenditures includes a very liberal supply of food for a family of five persons—so liberal, in fact, that at no time since the year 1550 would the laborer's *whole income be sufficient to pay for it*.

The serf thus appears to have been at least well fed, except in years of famine, which were frequent, owing to the lack of means for distributing surplus products. His expenses other than for food were very small. He is fre-

quently a man of some little means. When he is able to buy a piece of land he can free himself.

The mechanic in the rural districts was on the same footing as the serf in all respects, his pay when working being higher—twopence to threepence per day. He had the same rights of forest and pasture, and was bound to the estate as closely as the laborer. In incorporated towns the mechanic was nominally free, but he was bound to a master in the same way that the laborer was bound to his lord. He had no political rights whatever until he was admitted into the freedom of his trade guild, which required ownership of property. When the mechanic was able to own his house and lot, he was eligible for the full franchise of the corporation. He could then set up as a master, and his apprentices and journeymen were bound to him as he had been to his master. Thus an avenue out of thralldom stood open to industry and thrift. This was very far from being the worst period in the history of labor. No such unbridgable gulf separated the land-owner's state from the serf's humble condition as that which now separates the rich man's luxury from the poor man's squalor. Both were indifferently lodged, both lived in a sort of rude plenty, neither enjoyed many luxuries. There was no such infinite disparity between the matter and the methods of their daily lives as in these days. The city artisan lodged in his master's house, the serf lived under the shadow of the castle. An extensive system of relief was maintained by the Church and by the guild, and immense sums were expended by the great in benefactions to the poor. There was some human bond between employer and employed other than *wages*. And yet the laborer and artisan fretted under the conditions of their life. The laborer was perpetually running off to the neighboring town, or to another county; was hunted and brought back. The town arti-

san was a chronic disturber of the peace. The fact was that by law and custom they were men of an inferior caste, and the stigma was intolerable, and they would not submit to it. It is unfortunate that Labor has come down through the ages with this unnatural brand upon it. Every law relating to the laborer passed between 1350 and 1824 deals with him as with an inferior being. This is the root of all the injustice done to the workman in past ages. The legislator never conceived the idea that he was legislating for a freeman with equal rights, or indeed with any rights at all. The employer simply knew that he who had been his serf was now his servant. The workman conquered his freedom but never conquered caste. He continued to be a servant. The stigma passed from the man to his social condition, and would not be washed out. It remains to this day. *It is the largest element of bitterness in the contest at this moment.*

There is no reason to believe that the capitalist of the period (the land-owner) was actuated by any feeling of hostility to the laborer or by any desire to oppress him. He seems to have treated his serf with indulgence. He acted according to the best lights of the times, and *to protect his property*. The serf was his property, and he did not want to lose him. The question of wages was a secondary consideration, a pretext for the quarrel, as it is to-day in nine cases out of ten. The revolt was against *the condition*. The man rebelled against the stigma of legal inferiority.

CONFLICT.

The serf's condition from its very nature could not be a permanent one; he must either win nearer freedom or be thrust down to slavery. The struggle is unrecorded in our popular histories—in fact, the serf is hardly mentioned as existing, save when in open insurrection—but it was un-

ceasing, sleepless, untiring. A national calamity turned the scale in favor of freedom. In 1349 the plague swept over England. One-third of the people died. Labor was not to be had. The harvest lay rotting in the fields. The fields lay unploughed. Laborers demanded three and four times the customary wages, and refused to work till their terms were agreed to. They were entitled to high wages by all the laws governing wages, but determined efforts were made to prevent their receiving them. Payment of any such wages meant ruin to the land-owners. The celebrated "Statute of Laborers" was passed, and this statute may be said to mark the beginning of the "Conflict." Here begins the estrangement between the employer and employed of our race. It was unknown before. This act provided that "every man and woman able in body and within the age of threescore, not living by merchandise, nor exercising any craft, not having land about whose tillage he may employ himself, nor having of his own whereof to live, shall be bound to serve at the wages customary in the year before the plague." If he refused *he was to be imprisoned till he gave bond to go to work*. No employer was to pay him more, on pain of forfeiting double, and no workman was to receive more, *on pain of imprisonment*. Two years later another statute was passed, extending the same provisions to every trade and handicraft. Henceforth mechanic and laborer are alike subjected to continuous restrictive legislation. The law of supply and demand was stronger, however, than the statute. The laborer exacted his price, or as much of it as could be extracted from the product, but he knew that he could be imprisoned for exacting it. He felt that he was under the ban of the law, and he grew desperate. A feeling of opposition to the established order spread over the kingdom. Laborers roamed over the country in companies and committed great ex-

cesses. They refused to work, except under the most extravagant conditions. In these matters they were not a whit more unreasonable than the priests, the lawyers, the doctors, and others who gave their services for pay. The laws passed during this period prove the incessant conflict that was maintained between employer and employed. In 1351 a law was passed providing that wages paid to laborers in excess of the lawful amount shall be recoverable at law. In 1368 the same statute was re-enacted. In 1377 a statute was passed to prevent "villeins constraining their masters." In 1378, "that agricultural laborers should not be allowed to be received into towns." During all this time a combination was being effected, inexplicable in its thoroughness, considering the imperfect means of communication at the time, by means which are unknown even to this day, but complete beyond any that has been effected since. On a signal the whole labor of the country rose in insurrection, and in 1381 the Peasants' war began.

The insurgents carried all before them for a few days, and in the flush of victory, with the city of London in their hands, they presented their demands to the king. They were as follows:

"We will that you make us free, our heirs and our lands, and that we be no more bond, nor so reputed." A natural aspiration! Had they only been my lords and gentlemen how History would have glorified the transaction! The flame of insurrection was quenched in blood, but the cause was won. While the extravagant demands of the serfs were set aside, wages remained permanently forty to sixty per cent. higher than they were before the plague, in spite of the law, and a death-blow was given to serfage.

The king had promised the serfs their freedom, but Parliament when it met peremptorily refused to ratify the promise. They voted that "they would rather perish all

together in one day." But it was soon found that they could no longer cultivate their estates at a profit, and pay the wages now demanded by the serfs. For some time the attempt was made, but the bailiffs' accounts show how unprofitable it was. The laborer refused to work for the wages allowed by law; the land-owner dare not and could not sell at more than the legal price of produce, that being regulated by law also. For some time the strife between them continued, and it must have been bitter, for we find coercive statutes constantly passed. In 1388 a law was passed forbidding the laborer to leave his place of service or to move about the country without a passport. In 1391 a petition was presented praying Parliament to pass a law forbidding the children of the base born-chorls to attend the schools. Finally it became evident that a longer continuance of this strife would end in the common ruin of lord and serf. The great land-owners throughout the kingdom abandoned the attempt to cultivate their own estates with serf labor; they broke them up into farms, and let them to the most active and thrifty of their serfs, and to the small farmers of the neighborhood, even stocking the farms for the new tenants. The personal services of serfdom were commuted for a fixed RENT, to be paid in money for the use of the land. The essence of serfdom being personal service, this voluntary commutation silently worked manumission. The serfs who, by reason of incapacity or unthrift, failed to obtain an allotment of land, sunk at once into the hired laborers of the new farmers. For some time the old services were exacted of these unfortunates by their new masters, but by degrees these were commuted into fixed WAGES, and the farmer's serf became the modern agricultural laborer.

Cases of serfdom meet us as late as the Reformation, but they are very rare; within fifty years after the Peasants'

war serfdom was practically extinguished. The drain on the sons of the yeomanry during the civil wars of the century which followed gave the laborer his opportunity. The demand for labor was so great that the statutes regulating wages, though re-enacted over and over again, were disregarded. Labor was practically free. A better understanding seems to have been reached between capitalist and laborer, for in 1406 it was ordered by Parliament "that every man or woman of whatsoever estate or condition shall be free to set their son or daughter to take learning at any school that pleaseth them within the realm."

THE GOOD OLD TIMES.

The period which follows is spoken of as the Golden Age of English Labor. The workman's wages were more than sufficient to furnish a comfortable support for himself and his family; he had still his cottage and garden, his rights of wood and pasture; he was well fed, and was housed as well as the times required the laborer to be; his day's work was eight hours. Harvests during most of this long period were abundant, and provisions very cheap. When sickness, old age, or poverty overtook him he found in his parish church or the neighboring monastery a generous charity; while the mechanic had his guild, which supported him when sick, buried him when dead, and contributed to the maintenance of his widow and family. During the most turbulent century of English history he pursued his daily avocations unnoticed and unmolested. He was of too low degree to be permitted to bear arms. In the glories of Poitiers and Agincourt he had no share, and he escaped the butcheries of Towton and Tewkesbury. The battles of the White Rose and Red, of King *versus* Noble, were fought out around him in many a historic field, but he cared nothing for them, and they did not disturb him.

Nothing in the English character struck the Frenchman Comines so much as the fact that in a civil war so long protracted, which changed the Constitution and the Dynasty, destroyed Feudalism, and swept away the old Nobility, "no buildings are destroyed or demolished by war, and the mischief of it falls only on those who make the war." And so the laborer stayed at home at his work, too base for honor and too humble for injury. Sometimes, perhaps, he would climb the neighboring hill to look at the fight, and after it was over he doubtless improved the occasion by carrying off whatever valuables he could pick up on the place of carnage. Many a crested jewel, many a massy chain and embroidered scarf thus found its way into the laborer's cot, to furnish material in later time for the winter's tale and for the thrilling romance. But for the issues of the contest on which history dotes he cared nothing. The New Learning and the Reformation swept over the land and he heeded it not; the hornbook was his epitome of learning and religious belief, and he cared little whether prayers were said in Latin or English. He doubtless listened with a stolid surprise while the priest belauded the king and reviled the Pope. It was a new thing, and entirely too high for his understanding; but so long as he could say his prayers in the old parish church around which the bones of his forefathers for uncounted generations lay buried, it was little he cared whether Henry or Clement were Pope. He simply knew that he had enough to eat and a place—filthy, it is true, but his own—in which to sleep, and a fire to keep out the cold, and that work was hard, and that, glory be to God, the world was not a bad place to live in.

To this age of plenty the worn and starved laborer of later periods looked wistfully back, and stories of the time when a man might earn a year's provisions for his

family in twenty weeks lingered around the cottager's hearth for generations, and glorified the period as the "good old times." It was from survivors of this period that Shakespeare drew his faithful Adam in "As You Like It," his grave-diggers in "Hamlet," and many another sketch of humble but cheerful and honest manhood.

The table (p. 39) shows that the artisan and laborer could easily earn a comfortable living during the whole of this period.

THE LABORER FREE, BUT A PAUPER.

By the close of the reign of Henry VIII. the Golden Age of English Labor had come to an end. The workman for a century and a half had lived in plenty. He was so comfortable that laws were passed to restrain his family's extravagance in dress. The only bitterness in his lot was the servile stain on his condition, carried down from the days of serfage. He had no political rights, and was not destined to have for centuries. For this he probably did not care. But he was now to enter on a period of misery and degradation, of which even at this interval of time it is difficult to write with calmness. In this period we shall discover another element of the bitterness of the struggle now going on in the oppression which, under various forms of law, and during a long period, ground the laborer into the dust in the mistaken attempt to protect the capitalist. Generation after generation was offered up on the altar of England's Molochs—the landed and manufacturing interests. Like most outrages perpetrated by man on man, it had its origin in ignorance rather than in malevolence.

This course of legislation, which in its enactments violated what are now known to be the true principles of Economical Science, was continued during two centuries and a half, and was finally abandoned in 1824.

It is not to be supposed that a class who had emancipated themselves after such a bitter struggle, who had overriden all laws fixing their wages during a period of two hundred years, and who had grown independent during a century and a half of prosperity, would tamely surrender all that they had gained, and in the middle of the sixteenth century yield themselves to pauperism. Nor could their submission have been accomplished by any law aimed directly at that purpose. The causes which paved the way to this degradation were various, and some of them of long continuance. The unprofitableness of farming with the ordinary labor at the prices demanded had early in the struggle drawn many of the land-owners into sheep-raising. Immense tracts of land were withdrawn from cultivation and thrown into pasture. Flocks of 10,000 and 20,000 sheep were common. The numerous laborers required for agricultural pursuits were replaced by a few shepherds. At the same time, a greed for land became epidemic. Lord and farmer vied with each other in appropriating, on one pretext or another, the common fields. Enclosures of commons and waste lands, the customary fields of the laboring poor, were made on a great scale, and this source of supply for the laborer was much circumscribed. The position of the workman was further weakened by the wholesale confiscations of the reign of Henry VIII. We must never forget that the workman was the chief sufferer by the confiscation of the properties of the monasteries and guilds. His provision for sickness, old age, and death was swept away. The extent of the calamity may be estimated from the fact that property amounting to \$250,000,000 of our money was thus withdrawn from charitable purposes and divided up among the greedy horde of courtiers who surrounded the king; but the infamous act which destroyed resistance to the enforcement of the statutory wages was

the debasement of the coinage, begun under Henry VIII. and continued under the Protectorate. Debasement of the currency is the last and gravest political crime a government can commit against its people. It is especially a crime against the laborer, whose margin of income over expenditure is of the smallest.

Up to this time the penny in which his wages were paid contained 11.1 grains of pure silver. In 1543 Henry debased it to 8.3 grains; in 1545 to 5 grains; in 1546 to 3.3 grains; and under Somerset's protectorate it was further debased in 1551 to 1.6 grains! In those days of slow and imperfect communication it was some time before the fraud began to operate on prices, and the laborer was the last to perceive how he was being robbed. Slowly but surely, however, the workman found that his wages were losing their purchasing power. One can imagine the terror of the ignorant laborer as he saw the value of his money disappearing, till at last the vile trash which represented his week's wages would not purchase two days' provisions. This was an enemy he could not fight. The lately prosperous and independent workman found himself a beggar, and his children starving. Wherever he turned for relief he met only disappointment. The desolate halls of the monastery mocked his misery. Its hospitable ambry was empty, its hearth-stone cold. In his cottage, lately so joyous, he saw only starvation and despair. Men who had hitherto been industrious and honest now roamed the country either as open robbers or as "sturdy beggars."

Savage laws were enacted to repress these crimes. By the first Edward VI. it was enacted that the landless and destitute poor be reduced to slavery, branded, and made to work in chains! An act was passed prohibiting "all confederacies, and promises of workmen concerning their work or wages, or the hours of the day when they should

work." Any violation of this statute was to be punished: for a first offence by a fine of £10, or twenty days' imprisonment; for a second offence by a fine of £20, or the pillory; for a third offence by a fine of £40, the pillory, the loss of the left ear, and judicial infamy!! *This statute was not repealed till 1824.* Is it supposed these laws were not put in execution? Listen to Green, in his "History of the English People:" "We find the magistrates of Somersetshire capturing a gang of a hundred at a stroke, hanging fifty at once on the gallows, and complaining bitterly that they had to wait till the next Assizes before they could enjoy the spectacle of the other fifty hanging beside them."

Never had such misery, such discontent, filled the realm as in the last years of Henry and in the reigns of Edward and Mary. The first years of Elizabeth were quite as miserable; but a gleam of hope came with the new administration, and it was easier to bear. A year of unusual plenty sometimes brought a temporary relief.

The growth of commerce and the development of new industries would have given permanent relief, had the laborer been able to take advantage of the opportunity. Sixteen years of privation, however, had robbed him of all power of resisting arbitrary wages. The struggle was not now for his rights, it was for bread. For the first time in two hundred years the laborer submitted to have his wages fixed by statute. How the Justices of the Peace estimated the value of a day's labor under the statute, and how the workman fared under it, will be seen as we proceed.

How little share the artisan and laborer had in their country's affairs may be understood when we consider that some of these years of distress are by common consent the golden age of England. No such galaxy of poets, statesmen, warriors ever clustered round the English throne. No such names adorn another page of English history. The

realm of England was, during a decade of years, the stage across which a grand triumph was proceeding. In the gorgeous pageant we see the heroic forms of Sidney, Raleigh, Drake—sons of Hercules who adventured through the trackless ocean, and won to new gardens of the Hesperides, and brought home the apples of gold to lay them at the feet of the virgin queen. Veritable slayers of dragons were they who swept the Spaniards from the sea and unlocked the treasures of the Occident; and greater than they Spenser, Shakespeare, Johnson, whose great shades possess the stage even to this day; Cecil and Walsingham directing and marshalling the pageant, and high over all, to whom all eyes devoutly turned, Elizabeth, the incarnation of the spirit of the age, the inspirer of all this endeavor. It is a glorious age, steeped in golden light, resonant with song and jubilant with victory. But nowhere is the pale face of the laborer to be seen amid all this splendor. To him these men are gods, and this pageantry is of another sphere. And yet when this temporary triumph has passed across the stage and is gone forever, it is his misery that colors the scene, it is his ghastly figure that affrights the last moments of the dying queen.

The year 1597, as may be seen from the table (p. 39), was one of famine. The case of the laboring man became so shocking that it was felt "something had to be done." It never seemed to strike anybody that the only thing necessary to do was to allow demand to fix the price of the laborer's day's work.

It was doubtless with an honest and charitable purpose to relieve the wretchedness of the laborer, that in 1601 the English Poor-law was passed. It was a scheme of benevolence, and it is probably not the fault of its creators that it became an instrument of degradation.

It must not be lost sight of that at this time, and for

centuries later, capital meant the landed interest, and the employers of labor were the land-owners and their tenants. Commerce was in its infancy, and located exclusively in London and in two or three small seaports. Manufactures, in any sense in which we understand them, had not been dreamed of. The land absorbed everything, and the land-owner exercised every governmental function and filled every official position. The protection of landed capital was then supposed by very good men to be a necessity of State, as the protection of manufacturing capital is supposed by very good men to be at this day. At first, Capital only was protected at the sole expense of Labor, until the laborer died of starvation. Then the Poor-law intervened to protect both at the expense of the whole property of the kingdom, just as the tariff has intervened to protect both to-day at the expense of the consumer.

The new Poor-law provided that assessors should be appointed in every parish to assess a tax on the whole property in the parish sufficient to maintain the aged and incapable poor, and to supplement the wages of the *honest and industrious* poor who could not earn a living by a charity or dole distributed at the almshouse.

When, therefore, the Justices of the Peace—land-owners—met, as required by law, to fix the wages which the mechanic and laborer should be permitted to earn in their parish during the coming year, they had every temptation to fix them as low as possible, because the land-owner was in those days almost the sole employer of labor. When, immediately afterwards, the *same persons*, or men of their class, assembled as assessors of poor-rates, to levy a tax for the support of the parish poor, they doubtless remembered their own laborers, whose wages they had just fixed at starvation rates, and by doing so had constituted them the parish poor; and as *all* property had to pay this tax—

the doctor's, the lawyer's, the grocer's, the clergyman's—the rate was made a liberal one. And so we find, year by year, the capitalist unloading more and more of the wages of his own laborer on the public, until finally it comes about that wages are paid half in money by the employer and half in alms by the public at the poor-house gate. Can anything be more repugnant to every sense of honor and decency and justice? Look at the case of the honest workman. He is strong, and full of life, and full of work. He has a wife and family dependent on him for support. He hies him to the justice's court, to hear how much wages he dare demand, or any man dare pay him for a year to come. He hears with horror the paltry sum their Honors allow him to earn, for well he knows *it will not buy his food*, much less pay rents and clothe his wife and children. Can it be possible that an able-bodied man's labor is not worth his food? But he is told he can get bread at the poor-house.

He hears that wages in a neighboring county are double what he can earn in his own, and in a moment of forgetfulness he trudges off to seek work there. But stop, my friend; the Law of Parochial Settlement provides that, immediately on entering a parish, you must furnish good and sufficient security that you will not become chargeable to the poor-rates of the parish, and as you have no security—for who will go security for this wretched tramp—you must go to jail till the authorities have an opportunity to return you to your own parish. Poor wretch! In a short time he is sent home again, and as expense has been incurred by his reckless and wicked conduct in leaving his own parish to look for living wages, he *is sent to jail* to work it out. But what of his wife and family all this time? Oh, they can go to the poor-house! And this legal pauperizing of honest labor was submitted to for over two centuries!

Could there be a greater outrage? Think of a free workman, honest, capable, industrious, compelled to be a pauper and to receive, hat in hand, at the almshouse gate, in sight of all his neighbors, from his youth to hoary age, *as alms*, a large proportion of the *wages* honestly earned by his labor; and to know that his children, from generation to generation, shall live this pauper's life, and shall go down into a pauper's grave.

Under this system the generations of the English laborer and artisan lived from 1601 to 1824. Under this system England began and developed her enormous manufacturing interests, creating new pauper capitalists to be served by new pauper laborers. Under this system, when she became less choice in her selection of the men who should die in her foreign wars, she condescended to accept the life of the pauper youth, and thereby transferred the stigma—the ancient stigma of his serfdom, the present stigma of his pauperism—to the hitherto honorable position of the English soldier; a stigma that attaches to the bravest man, the truest patriot who fights his country's battles *in the ranks* to this day. Under this system England became mistress of the seas and controller of the commerce and manufactures of the world. Under this system, and with these men, she has conquered empires, overturned dynasties, and won triumphs of peace as well as of war, before which the illuminated glories of her mediæval past pale and sink into insignificance.

Out of the laborer's blood was coined the colossal fortunes of the Arkwrights, the Peels, and of every man made rich by manufacturing down to 1840. Out of his blood was coined the enormous sums which England spent in her foreign wars from 1750 to 1815, of which a small remainder exists in her national debt of \$4,000,000,000. Out of his blood was extracted the enormous sums assess-

ed to maintain the poor, of which about one-half was doled out to himself in alms, in lieu of wages, and which in the two centuries and a half since the passing of the Poor-law amount to not less than \$3,500,000,000. Out of his blood, too, was coined the awful increment of England's wealth which accrued in the three centuries ending with 1850, and which amounted to not less than \$15,000,000,000. For this he was starved till he revolted, and when he revolted he was trodden under the iron heel of authority till he became a savage; and he was hanged, and exiled to the ends of the earth, and imprisoned, and circumscribed with laws so inhuman that Lord Byron exclaimed, on the second reading of one of the bills in Parliament, that the jury to try cases under that law should consist of twelve butchers, and the judge should be a Jefferies.

It is needless to enter into details of the atrocities perpetrated on the laborers during the half century ending with 1824 under form of law. Suffice it to say that the conditions which the capitalist then sought to impose on the laborer, and the miseries which came of them, have been outrages on humanity compared with which the temporary ferocities of the hungry mob have been childish follies. The capitalist had his day of absolute power, and used it brutally. In order to procure subsistence the English laborer has surrendered his children almost in infancy—at wages as inadequate as his own—to the slavery of the factory, mortgaging the energies of a second generation for the survival of the present one. The wonder is that the English laborer has neither been a socialist nor a communist. Under it all the Englishman's tremendous powers of endurance, the real powers which have made him master of the world, have enabled him in the main to continue a law-abiding and even a loyal citizen.

This much space has been given to a review of the his-

torical relations of the parties to this conflict, inasmuch as the feelings gendured by centuries of such unequal strife have passed into a tradition of labor; they have created a habit of thought, a hereditary mental condition, which has become *natural* to the laborer. It is like a strain in the blood, it is ever-present and cannot be soon eradicated. It is idle folly, therefore, to ignore it.

When, in 1824, the laws circumscribing his liberty were repealed, the workman stood on the border-land of a future infinitely brighter than his "good old times" had ever been — one of independence, comfort, and a high civility unknown to his forefathers. But this for a time he did not or would not see. The bitterness of centuries had burned into his soul and stained his judgment, and so his first hours of freedom were hours of wild license and desperate outrage; and when that orgie passed, when he had time to perceive that all laws trammelling his free agency had been abolished, when he was free to name the price of his labor and refuse less than his price, when it was lawful to combine with his companions to establish the value of his day's work, when the State freely educated himself and his children so that he could keep abreast of the civilization of the age, he still continued to believe that he had rights to maintain, if not wrongs to revenge. He has crossed the Atlantic bearing with him a sense of grievance and the memory of slavery, inferiority, and wrong; and to-day, on American soil, well fed, well clad, and educated, he confronts the capitalist as grimly as when he smashed the stocking frames at Nottingham, and boldly and defiantly expiated the offence on the gallows.

The following table pictures the decay of the laborer under capitalist supremacy during five centuries:

THE LABORER FREE AND AGGRESSIVE.

The law assessing wages was falling into abeyance. The mill-owners found they could induce starving children to work for smaller wages than the consciences of the justices—still land-owners—would permit them to assess. The law was accordingly repealed in 1814. Labor could not legally organize, and the laborer was now at the mercy of the new capitalist, the manufacturer, and he soon found that if the landed capitalist had chastised him with whips, the mill-owner capitalist was chastising him with scorpions. The new capital was well organized, and the laborer discovered that his wages unassessed were no better than the old statute wages—if anything, they were worse.

The return of peace (1815) threw immense numbers of discharged soldiers and sailors on the labor markets; the infamous Corn-law was passed by the land-owning legislators in their own interest; wages were paid in paper-money depreciated 30 per cent.; machinery had in many manufactories superseded seven-eighths of the operatives, and had not yet created the increased demand for the product which would cause them to be re-employed; and from all these causes a distress similar to that of 1597, which created the Poor-law, brought matters to a crisis. The average price of a bushel of wheat in 1812 was \$3.80, in 1813 \$3.29, and in 1817 \$2.91. The amount spent in relief of the poor in 1814 was \$31,500,000, in 1818 \$34,350,000, in 1820 \$36,500,000. The support of the poor threatened to eat up the profits of all labor. It is to Mr. Joseph Hume the workman is indebted at this crisis for suggesting that it would be well to leave the laborer alone to manage his own affairs—to get the highest wages competition in a free market would yield him, and to permit him

to combine with his fellows to make the market price as high as possible.

In 1824 a bill introduced by him became a law. It repealed all laws against combinations of workmen concerning wages and hours of work, and labor was now for the first time free to organize for its own protection. This date, therefore, marks a new era in the history of labor.

When the shackles were stricken off the British workman, he was like a man turned out of prison after a long confinement. He was dazed; he did not know how to use his liberty. For centuries it had been unlawful for him to combine for any purpose, so he rushed into combinations. Trades-unions sprang up all over the country, and their operations were directed by the boldest and wildest spirits. His wages had been fixed for centuries by the capitalist, and enforced by law; he would fix wages for the capitalist, and enforce them by strikes. The old working-day had been lengthened by law in spite of the workman; he would now fix the hours of labor in spite of the employer. He had for centuries been void of political rights; his cry was for "Radical Reform." The laborer retaliated on the capitalist the wrongs the capitalist for so long time had inflicted on him. We are simply travelling over the same dreary road of injustice and misery and wrong, with this only difference, that the workers of the wrong are now the capitalist and laborer instead of the capitalist alone. One of the worst periods of English labor are these first days of freedom. They were days of great suffering and great license. The number of death sentences was enormous; from 968 in 1823 it grew to 1529 in 1827, and to 1601 in 1831. Very few of these sentences were carried into execution, the universal misery moving Executive clemency. From this period strikes are incessant. In three cases out of four they were unsuccessful as to the

actual object immediately aimed at; but there can be no doubt the agitation had its effect. Capital cannot thrive in a state of war; and it has been conclusively shown by instance after instance that the workman and his family will endure privation with more patience than the capitalist will perceive his capital lie unproductive. These strikes the masters attempted to control by using the provisions of the common law against conspiracy, and for some time they obtained judgments of the courts in their favor, contrary to all just interpretation of the law. Prosecution harassed the unions, but knit them up into a National Association of United Trades, and made them stronger and more aggressive. It trained the leaders to conduct their proceedings in an orderly and legal manner. It accustomed the workman, by degrees, to submit to wholesome discipline; but for the time it inflamed the spirit of rancor and revenge, and crimes were perpetrated on both sides during the progress of the strife. The bitter feelings of the past were transferred to this generation, and animate our strikes to-day. In 1875 the last of the penal laws affecting labor were swept from the English statute-book, and the conflict on that side the Atlantic began to assume a more humane character. Except in the case of the Sheffield outrages the war has not been stained by gross or malignant cruelties in the last twenty years. English capitalists and English laborers have entered on the era of arbitration.

The units of comparison by which the progress of the workman has been measured seem to cover but a small number of the workman's expenditures at this day. Under the head of groceries are many articles of comfort and luxury not known to the laborer of former centuries. Yet, give the British workman to-day his bread, beer, meat, and rent, and it is remarkable how large a proportion of his outlet can still be brought legitimately under these heads.

The following table exhibits his progress during this century in a general way :

	1820.	1840.	1860.	1880.	1884.
1 bush. wheat.....	\$2 34	\$1 99	\$1 60	\$1 32	\$1 08
½ " malt.....	1 06	89	56	50	47
20 lbs. meat.....	1 34	1 14	2 30	2 57	3 20
2 weeks' rent.....	48	96	1 46	1 93	1 92
2 " fuel.....	60	48	48	67	48
	\$5 82	\$5 46	\$6 40	\$6 99	\$7 15
1 day's wages of carpenter.....	72	81	96	1 20	1 36
" " " laborer.....	36	36	48	50	60
<i>Ratio of wages to price of five articles:</i>					
Carpenter.....	12½	15	15	17	19
Laborer.....	6.2	6.3	7.5	7.1	8.4

But who can measure by these figures the comfort, the cleanliness, the intelligence, the education, the self-respect, the social weight which these figures represent. The workman walks erect, no serf nor pauper, but a self-reliant, independent citizen, whose duty it is to exact sternly and uncompromisingly whatever remains lacking of social and political and mercantile consideration. This position the workman has conquered from the capitalist by union.

The unions have conducted the conflict on English soil with great ability. They number over 1,250,000 members; their accumulated funds amount to \$10,000,000, and the amounts they have expended in the forty years for maintenance during strikes and for sick benefits have been enormous. They have obtained a recognition from Government, and are consulted on every measure affecting the workman and his interests. Under their intelligent conduct of the workman's cause strikes have become of rare occurrence, and are usually quickly and peaceably settled. Many of the strikes of late years have been engaged in

contrary to the advice of the Executive Committees. The more intelligent of the English workmen have begun to see that striking is a clumsy, uneconomical way of settling a difficulty.

It is a question much disputed whether the organization of trades-unions, and the striking which resulted, are to be credited with the great improvement in the condition of the English workman. The capitalist points to the phenomenal growth of commerce and manufacture, and claims that the increase in wages, and in the purchasing power of wages, are due entirely to the country's development. They point to the growth of British trade from \$550,000,000 per annum in 1831-40 to \$3,500,000,000 in 1884, and say there is the source of your high wages. It is true that when this agitation was at its height, when capitalist and laborer were straining every constitutional and legal right in the conflict, England passed through a period of phenomenal business activity. Between 1845 and 1875 the whole method of manufactures and commerce changed. The old costly mode of transportation by land and sea was abandoned, and steam carriage was universally adopted.

Since 1846 Great Britain has built 18,668 miles of railroad, the United States over 120,000 miles—the capital invested in these roads reaches the enormous figures of \$12,500,000,000. In 1850, seventy-seven per cent. of the commerce of the world was borne by sailing ships, now seventy per cent. is carried by steam vessels.

	<i>By Sail.</i>	<i>By Steamer.</i>
1850.	19,230,000 tons.	5,860,000 tons.
1883.	42,630,000 "	109,450,000 "

The construction of railroads and the substitution of iron for wood in the construction of ships have called into existence the colossal iron and coal industries, and created

a manufacturing age. The laborer has, during thirty years, made his fight on a constantly growing demand. The conditions for a contest were created by the abolition of the combination laws; the material for the conflict was supplied by the abolition of the Corn-laws; and the opportunity was furnished by the period of practically unlimited demand for labor. The immense sums of money which were put in circulation by these constantly growing and wideing industries brought plenty and comfort and even luxury within the reach of workmen whose parents lived in a state of semi-starvation; wages steadily increased, and funds for prosecuting the work of the unions were readily obtained.

Undoubtedly it is true that without these conditions wages could not have been so continuously high, and the workmen so continuously prosperous. The mere occupying the North American continent, which has been the work of the last two generations, would of itself have increased the wages in all the countries furnishing the occupying races; to these two sources part of the credit is due. But it is equally true that had the laborer not been free to organize, and had he not organized so thoroughly and held on to his rights so tenaciously, he would certainly have been defrauded out of his share of all this prosperity. We have been at some pains to set forth the relations of capitalist and laborer in by-gone generations, and the record, as has been seen, is one of intolerable greed and conscienceless plunder on one side, and of monumental suffering on the other. We have seen the laborer in the relations capital selected for him, made for him, and compelled him to accept. They have been those of the serf and the pauper. If the laborer in Europe is more than these to-day, it is the result of organization; if the American laborer intends to maintain his independence, organization is essential. It

is essential to his progress in civilization ; it is essential to his progress in education, morals, and manners ; it is essential to the preservation of his manliness and self-respect. The day is not yet come for the lion to lie down with the lamb. The workman had better give up his life than his organization.

On this side the Atlantic the white laborer has never experienced the privations of his European brother. Politically he has all along been any man's equal. It is perfectly needless, however, to say that his position has not been entirely exempt from the social stigma which was put on honest labor centuries ago. His income has been comparatively stationary, while mere speculators and protected manufacturers have amassed immense fortunes. But his wages have been attractive to foreign labor. No such volume of labor has ever been thrown on any shores in the history of the world. It is fortunate for the United States laborer that the development of an unoccupied continent has maintained a demand thus far equal to the immense supply. The troubles that exist here between Labor and Capital are of foreign growth, created and kept alive by foreigners. They exhibit all the animosities gendored during ages of oppression on foreign soil, transferred to a country where the rights of man—the negro's excepted—have always been respected, where want has been comparatively unknown, where the privileges of the workman have been exceptionally great. They have depreciated the status of labor materially. They have driven the American workman in self-defence largely into a middle-man class. Twenty per cent. of all American labor is done by foreigners, and probably fifty per cent. by foreigners and men born in the United States of foreign parents. Many of these men have been imported to work at lower than current wages, and such men avenge this wrong done on Labor

by perpetrating outrages repugnant to the American character. The American spirit is so strongly opposed to outrage that it is probable this would never give business serious trouble, were it not for the incompetence and demagoguery of local governments. The people can always handle labor or any other troubles in this country when they make up their minds to do it.

Organization, however, is as essential to the safe and self-respecting existence of the laborer on American soil as in European communities.

PROPER AIMS OF TRADES ORGANIZATIONS.

But what should be the proper aims and methods of a trades organization? Our review has shown us that law cannot impose arbitrary wages on laborers free to combine; unions cannot impose arbitrary wages on employers free to combine or withdraw from business. The wages must be contained within the product, and must admit provision for interest on invested capital and other expense. To look upon the union as a machinery for directing a strike is like considering a government as a machinery for waging war. Some great masters of government have made the latter mistake, some great directors of labor seem to make the other. A strike is a labor war. It is an incident, an unhappy incident, not an object, of union. It is a calamity whether it succeed or fail. Wars and strikes are rarely necessary and always barbarous—excusable, perhaps, in the infancies of States and unions, but proof of a thin civilization.

What, therefore, should be the motives, aims, and methods of a trades organization? Unquestionably the motive of union among men ought to be the welfare of themselves and of the society or State of which they are citizens. No motive short of one of large humanity justifies the associ-

ation of men in these strenuous days. If the trades-unions fail of this motive they will miscarry. It is a necessity of association that it be either beneficial or hurtful to society, and if it be not openly, honestly, avowedly beneficial it can hardly be other than hurtful. The aims of such an association should be evident enough. It is not enough in this nineteenth century that they should be merely those beneficiary ones of the ancient guilds, although those—relief in sickness, funeral rites at death, and assistance to the widow and orphan—are noble aims and should not be omitted. But there must be more. If it be true that the laborer has not his full share of the product of his labor in his customary wages, it surely becomes the members of an organization to be able to compute labor rights in the product. How many members or officers of unions can do it? It involves a knowledge of the market price of raw material, rates of freight, insurance, and interest; of wages, and of the course of the markets in which the product is sold. If there be truth in the allegation that labor is defrauded, then the union must take the place of the capitalist, and the highest species of association, co-operation, must do him justice. This involves education, and one aim of all labor organizations ought to be education. Capitalists are educated men as a rule; laborers must educate themselves.

A legitimate aim of trades-unions should be the recovery of any ancient rights which labor has lost. They have recovered their freedom, they have clothed themselves with all political rights essential to its maintenance (at least on this side the Atlantic). Among the rights they have not recovered is the workman's ancient day of eight hours. The English workman has in many trades reduced his day to nine hours. Where the work amounts to physical toil it cannot be pursued economically—that is in the best man-

ner—longer than eight hours. There are some occupations making small demands on the physical energies; for these a longer day may be necessary, in the interests both of employer and employed. A shorter day than ten or twelve hours is necessary if education is to be acquired by the workman, and education is a necessity.

Where the eight-hour day has been tried it has been found to work advantageously. The work is better done and the quantity has not decreased. The American day's work is ten hours. Many trades in England have a nine-hour day, and in some establishments an eight-hour day has been established by the employer. This seems to be a legitimate aim for labor associations to pursue.

A legitimate object of trades associations is to procure the enactment of national laws relating to employers and employés, their mutual rights and duties. These laws should regulate—

1. The employment and discharge of workers.
2. The accepting and quitting of work.
3. The sanitary conditions under which work shall be pursued.
4. The moral conditions under which work shall be pursued, with particular reference to the employment of women and children.

The workman in this country holds the sceptre of the ballot, and can easily acquire all he is justly entitled to by constitutional methods. There is neither power nor disposition to deny to any man, or class of men, right and justice. The English Parliament has at the instance, and by the insistence, of trades organizations thrown the shield of its protection over the workman, the woman and the child; the American Congress will not be slow to afford the same protection.

The arbitrary fixing of wages is not a proper aim for

the union. It would only re-enact the old labor laws, to the misery of labor and the ruin of the capitalist. On a falling market it would fail; on a rising market the employer will arbitrate. In cases where low wages are the result of competition between manufacturers or others, unions should at once interfere. Here is a legitimate field for their energies.

In their original bestowment Capital and Labor were united in the same hands. Probably the greatest miseries of our humanity have arisen from sundering them. It is a proper aim for unions to endeavor to reunite them. This can be done by co-operation in many lines of business. But it could be reached by adopting some basis on which employer and employed may unite.

The methods of trades societies are important factors in any question of ultimate success.

The causes on account of which the ordinary occupations of the community in which men live, and by which they live, are interrupted, should be weighty. We cannot divest ourselves of moral responsibility in this matter. It cannot proceed long on self-will. Interference with the public necessities is unwarranted, except for causes in which the particular community is concerned, and unwarranted beyond the bounds of that community. The best cause may be ruined by improper methods. As a rule the whole procedure of strikes is an improper method. Intimidation, mob-law, destruction of property, is not a procedure for a free people with vast tracts of unoccupied lands. Whatever may be the causes of a strike, no cause possible to exist under our laws will justify violation of law and breach of the peace.

The capitalist has not hitherto treated the laborer as a man. In this the capitalist has made a grievous mistake. It is a grievous mistake in a purely economic aspect. No

great or permanent returns have ever been gained by Capital from oppressed Labor. The growth of England's wealth has been greater in the last twenty-five years of prosperous and highly paid labor than in all her previous history. Her wealth has doubled in that period.

Labor must be treated at least as well as any other source of power. A steam-engine is well housed, well fed with fuel, well oiled, and well governed by a competent engineer. For its economic use, it must work smoothly and continuously. We must supply it with all that its material constitution requires. The economic use of the horse requires that he be well fed, well housed, and well treated. We must supply him with all that his physical nature demands for its healthy working. In like manner, the economic use of the man requires that all the conditions of his well-being shall be respected. His physical nature must be supported by good food, clean and comfortable housing, and all other good sanitary conditions; but he has an intellectual being as well—its health must be provided for by education, by the literature at least of his business; he is a moral power, sensitive to right and wrong. He must be influenced to right and withdrawn from wrong, or you will have a destroyer, not a worker. But is the economic ground the only ground on which this equitable treatment of the laborer is necessary? Nay, this man is your brother.

And this brings this paper to an end. There has been no wrong, nor misery, nor injustice, recorded here that has not sprung from ignoring the fact that the capitalist and the laborer are, after all, brethren. Let us restore the Brotherhood, and the problem is solved.

CHAPTER III.

A SYMPOSIUM ON SEVERAL PHASES OF THE LABOR QUESTION.

MOTIVE OF THE INQUIRY.

THAT the relations of Capital and Labor in this country are gradually, but none the less surely, becoming more unsatisfactory and strained, is conceded by every careful observer. The strikes and lock-outs of the last year, with their almost invariable accompaniments of disorder, disaster, and outrage, have pushed the so-called labor question into unpleasant prominence. Manufacturers, economists, and the better class of workmen are looking about not only for some less wasteful and more rational method than the one now in vogue for the settlement of differences which inevitably arise between employer and employé, but to discover some basis on which both parties may stand without loss of independence, manhood, or conceded rights. To the consideration of some of the many schemes which have been suggested for bringing about this desirable result we have devoted several chapters of this book. The questions and experiments have not been discussed with any expectation or thought of a final answer, but with a sincere hope of helping the reader to a better understanding of the reciprocal relations of laborers and capitalists.

Recognizing the wide-spread and growing interest as to every phase of the labor movement, and desiring to give the public the benefit of the latest thoughts upon the subject, we have solicited contributions from those best quali-

fied, by reason of experience or observation, to express an opinion. The following questions were sent to a considerable number of economists, divines, manufacturers, Commissioners of Labor Statistics, working-men, etc., with a request for concise answers:

1. Are strikes and lock-outs a necessary feature of the wage system ?
2. Is arbitration the missing coupling between Labor and Capital ?
3. May we not hope to discover some more satisfactory and equitable basis for the division of the profits arising from industrial enterprises ?
4. Does the remedy lie in the direction of industrial partnerships—a mutual participation of all concerned in the profits arising from production ?
5. Is productive co-operation practicable in the United States ?

Instead of repeating in each instance the above interrogatories, we have made use of numerals, to indicate the connection between questions and answers.

VIEWES OF POLITICAL ECONOMISTS.

*Professor EDWIN R. A. SELIGMAN, Ph.D., Columbia College,
New York City.*

“The problems involved are so intricate as to preclude the possibility of any satisfactory answer within a short compass. I believe, however, that strikes and lock-outs are by no means necessary features of the wage system. They are the first rude and semi-barbarous attempts to settle by sheer force the palpable evils of the new economic régime. They are perfectly legitimate, but as a rule utterly unavailing. Economic history, especially in England, shows that

the defects of the factory system, most glaringly at first, are being gradually diminished, chiefly owing to the action of the laborers themselves, but partly as a result of the growth of new conceptions as to the relation between the individual and the State. Force and violence generally precede dispassionate judgment and order, and there can be no doubt but that the system of arbitration and conciliation, as initiated by Mundella and Kettle, is susceptible of an immense development in the future, even though it will not form "the missing coupling between capital and labor." Trades-unions have done much, and will no doubt accomplish far more in the gradual elevation of the working-classes, but their sphere is circumscribed by the very conditions of the problem. They are composed of workmen, and as workmen pure and simple the lot of the artisans cannot be materially altered. An effectual improvement can only be accomplished by some method which will insure to the laborers a practical independence, which will lift them as a body out of their position as subordinates, and make them feel that they are all equally responsible for the evil, equally benefited by the good which may result from their united efforts.

"The secret of the success of the mediæval guilds, in the period before their decadence, and of the absence of any serious social struggles, lies in the fact that every workman either was or could in time become his own master. In other words, he enjoyed both wages and profits, and in this character of profit-taker he kept pace with the progress of industry. Modern attempts, especially in France (as evidenced in the recent *enquête* of the Minister del Rubier), have conclusively shown that the system of industrial partnership, when correctly applied, will result in vastly increased gains to the laborer, and in actually increased profits to the employer, while the increased activity

of the workman and the manifest interest of the employer tend to engender a mutual kindliness of feeling which renders strikes or lock-outs an occurrence of great rarity. Profit-sharing thus seems to be dictated not only by feelings of humanity and justice, but also by the purely economic considerations of increased gains to the capitalist, enhanced efficiency and carefulness of the laborer, and comparative immunity from disastrous and expensive stoppages of work. The great need of the times is to bring the cogency of these arguments, re-enforced by irrefutable facts, to the attention of the employers, and a change for the better must ensue. Industrial partnership is indeed only a stepping-stone to productive co-operation. But for successful co-operation certain qualities of mind and heart are necessary which, it must be confessed, scarcely exist in an adequate degree among the American laborers at present. With increased education, both intellectual and moral, conditions of success may in the future be attained, and in many branches of industry productive co-operation will undoubtedly, some day, play an important rôle. Every effort should be made to encourage the workmen in their laudable endeavors to introduce co-operation; for only through the experience of repeated failures will ultimate success be possible. For the present, however, the interest centres in the question of industrial partnerships. Every one should study the eminently successful arrangements of Laroche Joubert, at Angoulême, or the former attempts of Brewster & Co., in New York, a member of which firm (Mr. Britton) has declared himself to me as thoroughly convinced of the feasibility of the scheme, and as satisfied with the results in so far as increased profits, enhanced efficiency, and kindly intercourse were concerned."

*Professor S. WATERHOUSE, of the Washington University,
St. Louis.*

“Your inquiries touch momentous issues. An equitable adjustment of the relations of Capital and Labor is a problem whose solution demands the gravest thought of statesmen and political economists. The settlement of differences between manufacturers and workmen by means of strikes is a rude and costly process. It has been stated that the aggregate loss inflicted upon Great Britain since 1870 by these violent interruptions of productive industry is more than \$200,000,000. Every great manufacturing nation loses millions annually by the misunderstandings that arise between employers and their workmen. The waste of property by civil strife between Labor and Capital is almost equal to the havoc of a foreign war. The thrift of the working-classes and the well-being of society imperatively require the prevention of this enormous loss. A reconciliation of the conflicting interests of manufacturers and their operatives is the difficult task which now challenges the attention of practical thinkers. The history of international dissensions encourages the belief that there is a way of pacifying industrial disagreements. In former ages a recourse to war was the sole means of settling royal disputes. The sword was the universal umpire of contested rights. Through the slow lapse of centuries the progress of civilization and enlightened humanity has gradually introduced more reasonable methods of composing national quarrels, and now governments, taught by the desolation and miseries of war, have learned to submit their claims to peaceful arbitration. Many a difficulty which in an earlier age would have been decided by a resort to battle, has in modern times been settled by the bloodless arts of diplomacy. If the discords of alien governments, imbibited

by jealousies and wrongs, can be harmonized by amicable reference, assuredly mere business differences between members of the same community ought to be susceptible of peaceful adjustment. The fact that such differences have often been reconciled by arbitration proves the feasibility of the plan, and strongly recommends its general adoption. It is quite improbable that wars and strikes will ever be wholly prevented by any device of man, but their frequency will be greatly reduced by the growing intelligence of the civilized races and by a clearer recognition of human rights.

“Co-operation seems to be the most effective means of insuring harmony between Capital and Labor. But grave obstacles obstruct its adoption. The successful conduct of a large business demands a high order of talent. But an able man can make more money by himself, and will decline to share with many the profits acquired by his own sagacity. He will claim the full reward of the success which his foresight has won. But the management of a large establishment by incapable men is almost certain to result in failure. Hence, unless motives of philanthropy induce competent directors to sacrifice for the public benefit a part of their possible profits, co-operative associations will have to be content with superintendents of inferior ability. This necessity is a source of weakness and danger. But it often happens that men who are unable to conduct a great business can successfully manage a small one, and the history of co-operative organizations shows that the smaller firms have quite uniformly been most prosperous. The aggregate transactions of these partnerships are by no means insignificant. Last year the sales of the co-operative stores of Great Britain amounted to more than \$125,000,000. The English co-operative societies now contain about 650,000 members. France and Germany rank

next to Great Britain in the number and prosperity of these copartnerships. In the United States such associations have been infrequently organized and rarely successful. But the experiments in this country have not been tried under favorable conditions or competent management. The education of working-men is a prerequisite to industrial reforms. A comprehension of the simplest truths of political economy would dispel the senseless hostility which now exists between Capital and Labor, and teach manufacturer and artisan the important precept that the highest interests of both depend upon a just regard for the rights of each. When both parties distinctly perceive that neither can permanently flourish upon the ruin of the other, and that acts of injustice are sure ultimately to injure the transgressor, then proprietors would be willing to divide their profits with the hands which helped to earn them, and workmen would consent to adjust differences with their employers by the cheap and peaceful agency of arbitration. The memorable example of Leclair teaches a useful lesson. After paying his workmen fair daily wages, he divided among them at the end of the year a certain percentage of the profits proportioned to their technical skill and length of service. Not even a single day's work in the course of a year was forgotten in the final reward of labor. The effect upon his workmen was immediate and striking. Implicit trust at once supplanted unfriendly discontent. When the men found that they were to participate in their master's prosperity, they became more faithful in their work, more attentive to every duty, and more careful of the interests of their employer. The same persons who formerly, hopeless of bettering their condition, lived reckless and improvident lives, now, seeing a chance of social improvement, became self-respectful and frugal of their earnings. The value of the educational influence

which such a system exerts upon the thrift and happiness of the working-classes is incalculable. It is fortunate for the welfare of a nation when all the forces of its industrial life tend to the amelioration of society. The noble example of Leclair is worthy of universal imitation. There are, then, three agencies whose joint action would do much to obviate the losses and violence which spring from the present disturbed relations of Capital and Labor:

“1. Arbitration—which would settle disputes by the awards of reason, allay the unfriendly feelings which now subsist between workmen and their employers, save the time and money which are now wasted by the arbitrary closure of manufactories or the ill-advised withdrawal of operatives, and prevent the scenes of violence and outrage which so often disgrace strikes.

“2. Co-operative stores—which would furnish the laboring classes with food, clothing, and other necessaries, at the lowest rates, and by reducing the cost of living enable artisans to spend more for the improvement of their social condition.

“3. Co-operative partnerships—which would allow the workmen, in addition to their ordinary wages, a definite percentage of the profits in proportion to their dexterity and number of days' work, and which, by this just and humane recognition of their individual merits, would inspire a greater fidelity to their duties, a livelier interest in the success of the firm, and higher hopes of pecuniary competence and social elevation. The combined action of these three factors is the best remedy which the business experience of mankind has yet suggested for the relief of industrial disorders. Doubtless, with the lapse of years, a constantly increasing number of manufacturers will prefer to distribute a share of their annual profits rather than incur the ruinous losses which strikes inflict, and operatives

will gradually be more disposed to submit their claims to impartial arbitration than to endure the privations which their withdrawal from work would cause. As an insurance against damage by strikes, an allowance to the hands of a portion of the profits would presumably be a cheap and wise investment. But even if capitalists are at present unmindful of the claims of justice and humanity, the new system will be eventually introduced by the growing requirements of popular opinion.

“Public sentiment is one of the strongest social forces. It steadily and irresistibly modifies ethics, laws, and political institutions, and as soon as its enlightened voice demands industrial reforms, the proposed concessions will promptly be made.”

Professor J. B. CLARK, Smith College, Northampton, Mass.

“I willingly answer, in so far as I am able, the questions sent to me, and shall be greatly interested in the results of your inquiries in other directions.

“1. I should say that a concentration of capital which makes a lock-out possible, involves, as a consequence, the organization of labor which makes strikes possible; that this condition offers the alternative of actual strikes and lock-outs on the one hand, and arbitration on the other; that the absence of efficient machinery for arbitration is an evidence of crudeness in the general organization of industry, and precipitates actual strikes; and that, with progress in this direction, with a development of efficient wage tribunals, will come the legitimate use of the strike and lock-out, namely, that of something to be kept in remote view, as a last resort, and seldom appealed to in actual practice.

“2. I should say yes.

“3. I should say unhesitatingly yes. Arbitration is in itself an appeal to equity and a departure from the com-

petitive principle. The competition which is the basis of the orthodox political economy is already a thing of the past in the sphere of wage adjustments. It has been vitiated by combinations on both sides. True competition gave a rude approximation to justice in assigning the rewards of industry. The wreck of a competitive system, with the true competition left out, approaches more and more to the ignoble condition from which civilization emerged. It needs powerful agencies for an appeal to justice in assigning the rewards of industry. That can be most easily and immediately made by arbitration; but the result promises to be less satisfactory than that which would follow from a change in the fundamental relation of employers and employed. The wage system, from which the redeeming element has departed, ought to give place, in many industries, to a system based partly on the co-operative principle.*

“4. This remedy seems to me to come next in time after arbitration, and to be an improvement upon it. That it will be universally adopted is of course more than doubtful; but that it will do an extensive and beneficent work can hardly be doubtful.

“5. Under favorable circumstances, undoubtedly yes. These circumstances have not been present in a majority of cases, and failures have been numerous. These failures

* “Co-operation seeks no plunder, causes no disturbances in society, gives no trouble to statesmen, enters into no secret societies, needs no trades-union to protect its interests, contemplates no violence, subverts no order, envies no dignity, accepts no gift nor asks for any favor, keeps no terms with the idle and breaks no faith with the industrious. It has its hand in no man's pocket, and does not intend that any hands shall remain long or comfortably in its own. It means self-help, self-dependence, and such share of the common competence as labor shall earn or thought can win.”—G. J. HOLYOAKE.

are, for the most part, accounted for, and their causes are not permanent. In proportion as arbitration and industrial partnership prove successful, they lessen the inducement to full co-operation, and what was said of the former remedy holds true of this: it may never be universally adopted, and may not soon be extensively introduced, but there can be little doubt that it has an important and extensive work before it."

Professor HENRY C. ADAMS, Lecturer on Political Economy in the University of Michigan and Cornell University.

"In replying to the questions asked it will be possible for me to state merely my own views without attempting defence or explanation.

"1. Strikes and lock-outs appear to me to be an inevitable result of industrial progress carried forward upon the present form of labor organization. There can be no permanent solution of the labor problem so long as the wages system is maintained.

"2. Arbitration is not the missing coupling between Labor and Capital, but is the thing for which at the present time it is practical that working-men should strive. Its establishment is the first step towards the overthrow of the wages system. Working-men are right in demanding it; employers also, if they judge wholly from the standpoint of their personal interests, are logical and clear-headed in opposing it.

"3. I think we may hope to discover some more satisfactory and equitable basis for the division of products, because such a discovery is essential to the further development of our Christian civilization.

"4. Yes, the remedy lies in the direction of industrial partnerships; but should industries, breaking away from the wages system, move in this direction, the momentum

acquired would carry them on to industrial federation. The difference between these two is that the former admits of intense individualism in its interpretation of proprietary relations, while the latter curtails in part the right of the present possessing classes. Industrial federation does not, like industrial partnerships, rest upon the charity or self-interest of isolated employers, but upon legal rights that can be enforced in the courts.

"5. Co-operation is good enough in its way, but as a practical solution of the labor problem it counts for little."

Professor ARTHUR T. HADLEY, of Yale College, and Commissioner of the Bureau of Labor Statistics of Connecticut.

"1. To a certain extent, yes, as long as the workman is a mere receiver of wages.

"2. I think not. It is often a good way of settling troubles, but it does not remove the cause of the trouble. We need prevention rather than cure.

"3. Yes.

"4. Probably.

"5. Not as the term has been commonly understood. In the complicated industries of to-day it is almost out of the question for a body of men to get together and run a large business on democratic principles. We must have efficient leadership and unquestioned authority — one-man power. And the men who are competent to wield that power are to a large extent the men who are in authority to-day. If co-operation is to be a success it must be under the leadership of such men. And I think that the events of the next few years will perhaps teach our present business leaders the necessity of some system of co-operation. Each year makes them in one sense more powerful; but at the same time it makes them more dependent upon the good-will of their workmen as a body."

Professor E. J. JAMES, of the Wharton School of Finance and Economy, University of Pennsylvania, Philadelphia, Pa.

“An adequate answer to any one of your questions would take up far more space than you propose to allot to the whole discussion. I take pleasure, however, in sending you a brief statement of the conclusions to which my study and observation have forced me to come. I think that productive co-operation is practicable in the United States. Indeed it has been, in certain places and under peculiar conditions, a decided success. I do not think, however, that either American or European experience in this direction has been so successful as to warrant the opinion that it can be introduced generally enough to be considered a satisfactory solution of the labor problem. Nor do I think that any system of industrial partnership—successful as some of the instances have been—promises much hope of permanent and wide-spread relief under our present economic system. I would say, however, that I firmly believe that the only means of solving this problem lies in active and long-continued experimentation. Consequently I greet with pleasure every attempt at productive co-operation, or at a fair system of profit-sharing, which also implies loss-sharing, if it is to be permanent and general. In arbitration, on the other hand, as a means of immediate relief and of permanent advantage in various ways, I am a thorough believer. I think it should be recognized in law by providing for the establishment of boards of arbiters, whose decisions should have a binding force. No good can come from our persistently closing our eyes to patent facts of our social life. Our laws and law-makers at present proceed on the supposition of a state of perfect freedom on the part of every individual laborer and employer, whereas, as a matter of fact, they are both usually (and the excep-

tions are becoming fewer every day) members of some organization or other, which practically dictates to each what he must do or leave undone. These organizations are facts with which we have to reckon, and as they are powerful for mischief, they may also become powerful for good under a proper system of public control. Arbitration has the great advantage of subjecting the acts of the parties to it to the efficient and powerful control of an energetic public opinion. It recognizes indirectly what is too often overlooked, that the interests at stake are not merely those of the laborer and the employer, but also those of the community at large. The latter has such a great stake in the contest that it cannot afford to stand idly by and permit the former to disturb society to its foundations and destroy in their struggle the very conditions of sound economic progress. The real solution lies, however, I think, back of all this. Arbitration, profit-sharing, productive co-operation, are all expedients—makeshifts, I had almost called them—which may help tide over a crisis in national industry, but which cannot be relied upon to keep permanent peace and order. Our only hope of attaining to this lies in the establishment of a system which shall not unduly favor, as our system does at present, the combination of enormous capital in a few hands, and cheap labor against the combination of small capital and intelligence. To develop this point adequately would take much time and space. I would only call attention to one set of forces, which, to my mind, cannot much longer be allowed to work unchecked without seriously aggravating the problem. I mean those forces which control in the management of our most important means of transportation, viz., the railroads. Under our present system of railroad economy it is the mere whim or caprice of a railroad president, or at best his regard for his own pecuniary interest, not the natural condition of the country,

which determines whether an industry shall grow up in A or B, and it often ends in planting an industry hundreds of miles from its natural and proper locality. The system has contributed to building up a few great centres so rapidly, at the expense oftentimes of the inlying country, that all economic and social conditions have become highly artificial, with the result of enormously aggravating the difficulties of the labor problem. The remedy for such a complicated disease cannot of course be a simple one. But it must include as a constituent some antidote to the poisonous influences of arbitrary discrimination. No system of co-operation or profit-sharing, or even arbitration on a large scale, can succeed until it is possible to make some estimate of the railroad tax, which is in many cases destructive no less by its amount than by its uncertainty."

Professor GEORGE B. NEWCOMB, *College of the City of New York.*

"Co-operative production by associations of working-men, experience has shown, is apt to prove weak at the centre. A great business at least requires, as does government, unity and strength in the executive. A régime of many masters cannot compete for efficiency with the old system of 'master and man.' Competition has brought to the front of industrial affairs the modern 'captain of industry,' and he seems to me to, in the main, hold the key of the present situation as regards the difficulties and strained relations between Labor and Capital. Would not much of the difficulty disappear insensibly with the growing into favor among employers generally of a more liberal and far-sighted policy in dealing with labor than has usually prevailed? A serious error, too often committed by the employing class, is that of reckoning with human labor as with their raw materials and machinery. But commodities and serv-

ices are two things very different in their nature and their laws, however economists may persist in subjecting them both alike to the 'rules of the market.' The demands neither of equity nor expediency are satisfied by any business method which treats men as the merely accidental and temporary instruments of others' enterprises of production. Figures show that the best paid labor is the most productive and the cheapest. Common-sense tells us that a day's labor is not an absolute quantity like a pound of cotton, but depends for its value upon the good-will and nervous force and heart put into it. As to hours of labor, what is gained in employing the 'plant' as many hours as possible may be lost in fogging out the hands and brains which must manage and watch the machinery. Considerate treatment and reasonable expectations encouraged for the future of the worker will also give 'more power to the elbow.'

"I would therefore say to the employer, and with a confidence the grounds of which I have only been able to hint at above, Give the man you think worthy to help execute your plans the best chance you can of being healthy and happy in the service; pay him not the least you can get him for, but as liberally as you can, and then do not close accounts with him when you have paid him his week's wages. When the lapse of a suitable period allows an estimate of profits to be made, after setting aside interest, insurance on risk, and generous compensation for the brain and will work of the management, let the working-man share some fair portion of what he has helped to make, in the ratio of each one's service as measured by his wages.

"It is not mere theory, but rather the spirit of the best practice, which supports these views of the duty and interest of employer. In fact it is hard economic theory which has too rigidly regulated in this industrial age the relations between employers and employed on an artificial type, re-

placing the more natural and kindly relations existing in the old time between master and man. Liberal and far-sighted dealing with men, in recognition of their human nature, wherever and to whatever extent practised, is certain to meet with its reward in the confidence it awakens and the effectiveness of the co-operation elicited."

D. H. WHEELER, LL.D., *President of Allegheny College, Meadville, Pa.*

"1. The wage system seems to run naturally into strikes and lock-outs. It is practically impossible that the employers and the employed should always agree about wages, and each party will naturally exert its power in order to enforce its claims. There is an influence outside of the wage market which seems to be at present very active in causing labor troubles. The competition in the sale of goods tends to deprive the employer of freedom to deal with the question of wages as one of the division of profits between himself and his hands. He must produce as cheaply as others or he cannot produce at all. Competition in goods markets seems to cause the disturbances in wages. Wages are subject to a competition in both materials and goods. The power of one manufacturer to make a gain (though it be only temporary) by forcing down wages in order to undersell his rivals, seems to be one source of the evil. Wages forced down in one mill tend to make a standard for all. This, however, is only one source of the evil. The general tendency in competition is towards a lower price, and wages are carried down by that movement. The goal of this race is the lowest rate of wages this side of starvation. The competition of laborers with each other does not appear to be conspicuous in the fall of wages—that is to say, the cause of the fall is found in the goods market rather than in the labor market. While the struggle to undersell

competitors exists, the pressure to underpay laborers will continue—that is to say, the manufacturer will be able to pay less and less.

“2. Arbitration is an excellent palliative. But it cannot reach the cause of the evil unless it can be applied to the goods market. If products are sold under a rule of free competition which tends to lower prices, labor must be subject to the same rule, and laborers must be expected to resist in all possible ways the force which is pressing them down. This force is not the greed of the individual employer; he is as helpless as the laborer and about equally certain of being crushed under the wheel of competition.

“3. We may, like charity, ‘hope all things;’ the world is probably not going to the dogs through the destructive struggles to sell goods at prices which mean starvation wages.

“In attaching importance to the struggle to undersell I recognize that it is only one of several causes of distress. Facts are the best teachers. In the Monongahela coal mines some miners receive two cents a bushel, some two and one-half cents, and some three cents, the difference depending on the length of the contract. On a ten-months’ contract miners will accept two cents a bushel. This fact looks ten ways into political economy. Let me add that industrial partnerships would probably fail through the competition of the goods markets, if there were no other difficulty.”

G. M. STEELE, LL.D., *Principal Wesleyan Academy, Wilbraham, Mass.*

“Of the five questions which you set forth, the answer to the first three are partially implied in those of the last two, consequently the former will be treated more briefly.

“1. They are probably not necessary in an ideal opera-

tion of the system. But human nature being what it is, and the state of intelligence and the moral dispositions of both laborer and employer being what they are, strikes and lock-outs are likely to exist, at least for some time to come. Still, not only may the evils resulting from these devices be greatly mitigated, but these mistakes may be gradually substituted by those which are more rational.

"2. Arbitration is unquestionably of very great value, and should be resorted to much more frequently than it is. Still it is not a perfect method of settling difficulties of the kind implied. In many cases of attempted settlement by this measure there is a considerable temptation to compromise so as not to give too much offence to either party, and frequently, or at least occasionally, this is liable to be done when strict equity would require that no concession be made by one of the parties, the claim of the other being wholly baseless. Of course such concession may be better for both parties than continued strife and antagonism, and certainly than a lock-out or strike. But the best thing in all such cases is that actual justice be done, whether it coincides with the claims of a particular party or not.

"3. I am hopeful of some more satisfactory method, but I am not sanguine about any particular method hitherto proposed. The problem is how to divide the net product or its equivalent so that each producer shall receive in proportion to the productive result of his labor, capital being regarded as pre-existent labor. It is obviously impossible that this can be determined with anything like precision. There are many elements of the problem which are so concealed that they are not likely to be taken account of, and many more which, if obvious, are reckoned as unappreciable, which yet have in the aggregate no small determining force. It is not difficult, at least in many instances, to see the inequality of the division, and to see on

which side it lies; but while much can be done towards restoring the balance, this restoration will at most only approximate justice. Still, even this would be a great gain and well worth striving for. As to what methods should be pursued can best be partially considered under the remaining questions.

“4. The expression ‘industrial partnership’ is somewhat ambiguous, and is sometimes confounded with co-operation, which is to be considered under the next question. It is desirable to keep the two entirely distinct. Without entering at present into the consideration of the latter I may be permitted to say, that by industrial partnership I understand a system under which, while regular and customary wages are paid as though there was nothing further contemplated, it is also agreed that after a certain amount of the net product has been received as compensation to the employer, the remainder shall be divided among the employés in proportion to the amount of wages earned by each. This system appears to me to be feasible, approximately just, and calculated to promote harmony between employer and employés, and at the same time to greatly tend to the increase of production. The advantages appear to me to be as follows: 1st. There will be a definite knowledge of the amount of profit actually coming to the employer. The very fact that this is an unknown quantity is often an element of evil. 2d. The interest of both parties will be accordant instead of antagonistic. Both will be desirous of making the business as profitable as possible. There will be less waste, less loitering, less slighting of work and less expense of oversight; hence a diminution of expense and an increase of net product. 3d. There will be fewer occasions for strikes and lock-outs, with all their attendant evils.

“I do not presume for a moment that this would be a

perfect cure for all the faults of the present system. Certain objections might easily be urged against it. But to my mind it is the most practicable and satisfactory remedy for existing evils which has hitherto been devised.

"5. Not, as it appears to me, to any considerable extent. Something in the very nature of things militates against it. For one thing it involves the abrogation of the office of the employer. Most economists have strangely overlooked this office, so important to the interests of both laborers and capitalists, and to consumers as well. The employer is often confounded with the capitalist. But the two are generally distinct. Very frequently the employer has no capital of his own. His function is to bring together capital and labor. The ideal employer is one who knows how to organize his labor forces so as to get not merely the largest product, but to get this with the least outlay on the part of the laborer as well as the capitalist. He must know how to combine men and to distribute the work to be done. He must be a good judge of material, have skill in buying, quick perception of the varying wants of the public, an eye for machinery and possible improvements in it, and the kind of buildings conducive to the end in view, as well as to the comfort and health of the workmen. Such a man does not grow rich at the expense of any other parties; but he grows rich, if at all, while at the same time enabling both laborer and capitalist to receive larger results from their outlay than they otherwise would.

"Of course no employer is perfect. Many are incompetent, dishonest, overbearing, and unfit for such a position. Still, I apprehend that this is an agency which cannot be dispensed with without evil consequences to all parties, and not the least of all to the laborer.

"Now this functionary is not one that can be made to order, or that will spring into being as the result of an elec-

tion. Here is one great obstacle to co-operative production. It involves the dismissal of the employer as a factor in production. It is true the vacancy thus created is expected to be filled so far as it is necessary from the co-operators. Undoubtedly the aim would be to select some one who has the qualities I have enumerated as essential in the employer. But the judgment of fifty or one hundred or more men, a large proportion of whom would necessarily be unfamiliar with the essentials of business management, would be very likely to go wrong. Then, again, the manager so selected, whether from among the co-operating members or outside, would not be willing to assume the care and responsibility of such a position for the compensation of an ordinary laborer; this would bring back in large measure the evil of an employer.

“It may be asked, why cannot a combination of workmen appoint a manager who shall take the place of an employer as well as a combination of capitalists? There are several difficulties in the way. I mention but one. In ordinary joint-stock companies it is comparatively easy to find a considerable number of men who by reason of having been themselves employers are well fitted to be directors of the enterprise; their judgment in all business matters would be decidedly superior to that of average men, whether laborers or otherwise. These would select the immediate managers, who together with themselves would exercise the functions of the employer. A company so organized would be likely to succeed where one composed wholly of laborers or small capitalists would be likely to fail.

“These seem to me to be some of the reasons why productive co-operation is not likely to prove successful. There is another method which I think would, to some extent at least, avoid both the objections above mentioned, and the evils incident to the present system. It would be

a combination of co-operation and copartnership by permitting laborers to own shares in the joint stock companies, making the shares small enough for this purpose, and specially encouraging the investment, and at the same time allowing the principle of sharing in the profits as before described to prevail."

CHAPTER IV.

A SYMPOSIUM ON SEVERAL PHASES OF THE LABOR QUESTION—*Continued.*

VIEWS OF MANUFACTURERS.

C. H. SPAULDING, *Vice-president and Secretary of the Spaulding Iron Company, Brilliant, O.*

“1. No. They grow out of a grasping spirit which is not confined to the employer, and incorrect estimates, made by or for organized labor, of the profits accruing to the employer on account of the skilfulness or fidelity, or both, of workmen.

“2. Intelligent, disinterested arbitration could do much to settle disputes. But where is that to be found? In the recent long-continued strike of the nailers, where could disinterested persons be found who would take a broad view, embracing every point involved, and render a just decision?

“3. The basis of a division of the profits necessarily involves a division of the losses, which are often considerable, and are never considered by the workman, unless he is also interested as a stockholder. When he sustains the dual relation of employer and employé, it is often easy, especially in times of general depression, for him to see that the latter is the surer, safer, and more agreeable, as well as more profitable, situation.

“4. Business enterprises require for success, primarily, capital and commercial standing. No concern can hope for success without a fair basis of cash and character. If

workmen, or workmen and capitalists combined, having a sufficient amount of the requisites named, choose to establish a business upon the 'mutual participation' plan, their success or failure may depend upon a number of things not contemplated by your questions.

"5. 'Productive co-operation' is not impracticable in the United States, but its success is becoming more and more problematical by reason of the unfairness of men, who through their short-sightedness seem ever ready to grasp at every seeming advantage in favor of capital on the one hand or labor on the other, and for the sake of a mere temporary advantage are ever willing to destroy every reciprocally useful business tie. Prescription: common honor, careful inquiry, horse sense, equal parts, large doses."

GAULBERT, MCFADDEN & CASKEY, *Fairhill Forge and Rolling Mill, Philadelphia, Pa.*

"We have a sliding scale, and by giving the men a slight advantage it seems to give them entire satisfaction, as we have had no trouble since July 24, 1880, when they went from a ten weeks' strike to work on that date. The scale was arranged and agreed upon by a committee appointed from either interest, and we have no doubt if other manufacturers would do likewise a very great deal of the annoyance and loss sustained on either side could and would be avoided."

B. C. VOSE, Esq., *Treasurer of the Bay State Iron Company, Boston, Mass.*

"1. I answer, No.

"2. I think if a commission of arbitration could be established fairly, representing both interests, and they had the power to make a decision that should be binding, that

most of the difficulties could be amicably and fairly adjusted.

“ 3. I answer, Yes.

“ 4 and 5. I am very much in doubt.”

BLACKMER & POST, Sewer-pipe Manufacturers, St. Louis, Mo.

“ In our business we have no trouble from strikes, because the number of skilled workmen employed is very limited. In our judgment, strikes and lock-outs are an unavoidable feature of the present wage system. Arbitration is a temporary remedy at best, for the elements of discord and disagreement exist always between employers and employés. Where large numbers of workmen are under one management we do not think any plan of ‘ industrial partnership ’ possible whereby all concerned in the production of any article shall be mutually interested in the profit or loss resulting from its sale. It is an impossibility to reconcile so many discordant elements. We see no remedy for the case in this generation.”

CHARLES RIDGELY, Esq., President of the Springfield (Ill.) Iron Company, and also of the Ellsworth Coal Company.

“ As it seems to me, the dissatisfied feeling among the working-classes is what we always witness in periods of depression in business. There are special causes of trouble in many of the different industries, but the discontent is more manifest of late because the times have pinched all of them. We are also just now passing from the condition of a new country, with a sparser population and undeveloped resources, to that of an old one, with a redundant population, and with all the appliances in the way of plant, money, transportation, skilled labor, etc., necessary to supply ourselves with about all of the manufactured goods, and in fact everything which we need for the supply of all

of our daily wants. While the country was new and we were importing goods from abroad, to make up for the lack of capacity of our own manufacturers and other producers, the prices which obtained were naturally those which were current abroad, plus the cost of transportation, and what other loading came from the tariff and convenience of delivery. This made a margin for the payment of higher wages, and to this fact the influx of population in this country may largely be attributed. Now, as one industry after another reaches a point where it can supply the wants of the whole country, prices recede. The foreign article is first shut out of the market, and then a fierce competition springs up among the different home concerns with the effect of still further reducing prices. Prices are not reduced except when trade is dull. When trade is dull with industries employing labor largely, a great many men are out of employment, consequently, when prices are reduced, it always happens that prices of labor are reduced. Now, it seems to me that, with the advent of better times, wages will so improve with some of the industries as to silence a great deal of the present complaint, but with others, and these will largely be manufacturers, trade will hardly improve enough to keep them fully employed. The tendency of prices and of wages will be permanently lower until our costs of production are reduced to the point that will allow of exportation in competition with foreign goods. Then we may hope to maintain wages at that point, whatever it is. Holding these views, I think that there will be more and more difficulty in the management of labor, and that our population will become more and more turbulent. The trouble is too deep to be reached by any change of method in dealing with labor. It is utterly beyond the control of capital as anything can be. And the trades-unions are utterly insufficient in coping with it.

"I can now answer your direct questions.

"1. Theoretically, I should say no. But it will be almost impossible to prevent them, so long as markets fluctuate and thereby increase and diminish the demand for labor.

"2. I do not believe that arbitration can be a complete remedy for the differences between Capital and Labor. The price of labor must be governed by the demand and supply, and this principle will assert itself in spite of every effort, either of employers, employés, or arbitrators. Arbitration, if sensible, will recognize the fact, and in so far as it decides in accordance with it, it will better matters. But that is the farthest extent to which it can go.

"3. I do not see how the relations between Capital and Labor can, in any general way, be other than that of employer and employé. Nor do I see how any man who is charged with the employment of labor, can set any rule by which to be governed in settling rates of wages, except the market price.

"4. I think not, in any large sense. I have seen co-operative establishments flourish in a small way and for a limited time. But my observation has been to the effect that, aside from the difficulty which the lack of capital implies, the men lack the most important element of proper business training, and are so jealous and suspicious of each other that they make too many changes of policy and of management to succeed. I see no hope of any immediate improvement in that respect. The best of the men are constantly deserting from their ranks to take their places in the ranks of the capitalists. This will always be so, and the progress of co-operation will be retarded accordingly.

"5. If I have not sufficiently answered already, I should say that it was not at the present time, except in a small way and under special circumstances."

JOHN A. GIBNEY, Esq., *St. Louis, Mo., General Sales Agent,
Belmont Nail Company.*

“1. No; but they are likely to continue features until a better understanding is reached as to the duties of Capital as well as Labor. We hear too much of the rights of Capital and the rights of Labor. Both have important rights, it is true, but too great stress on them is calculated to produce ‘strained relations.’ The contrary spirit should be encouraged—amicable relations—a community of interest feeling. This will be sooner brought about by each side giving up the habit of mind they seem to have fallen into of gloating over and asserting rights, and begin to consider in their hearts their duties, the one to the other. This mental discipline should begin with the so-called masters—the controllers and representatives of capital. A noble example on their part will not be without its influence. They should begin by considering whether they are absolute masters or merely stewards, with responsibilities proportioned to the power that the temporary possession and management of wealth gives them. They should convert their talents, it is true, but with due regard to the principle of eternal justice. They should not forget that labor is the source of all wealth, and entitled to a fair proportion of that which it creates, and give this proportion freely and ungrudgingly, not waiting for demands to be made on them, in prosperous times.

“One of the strongest points Labor makes against Capital is that advances are seldom or never offered voluntarily when times are good. They should consider that merely paying the minimum rate for which they can hire the least skilful or careful of workmen is not filling the measure of duty. Labor is defrauded of wages when denied full participation in the prosperity of employers. When it is pos-

sible, the system of piece-work should be employed so that the most expert and industrious may receive the greatest reward. When this is not practicable, reasonable hours and fair wages should be accorded. No sweeping reductions without fair warning, and an end to these inhuman 'lock-outs' that flood the country with tramps and endanger all social order. Let the masters be masters in fact as well as in name, and deserve that honorable title by so mastering their business that we may gradually get quit of the great extremes of depression and activity that have been such unhappy features of our industrial system. Let them abandon this mad desire for supremacy or monopoly that leads to reckless increase of product to the extent of fifty, seventy-five, and one hundred per cent. when a few months or years of prosperity are vouchsafed the country, frequently using their earnings and creating heavy indebtedness to this end. Let them rather observe the law of natural increase. If wealth and population increase at a steady rate of five per cent., let that be their guide. And withhold excessive dividends as well as avoid all stock watering methods, and seek rather to accumulate such surplus as will enable them to make the necessary changes in plant that new processes demand, as well as carry their product when demand falls off. They may at such times find it necessary to reduce the hours of labor or scale of wages, which will be accepted on both sides as preferable to lock-outs or strikes. They must not rely too much on the 'supremacy of cash,' and disregard the well-being of the workmen. Their own safety demands adherence to the principle of justice, and perseverance in it will disarm the professional agitator. Such consideration can only be claimed for labor by their deserving it, and they can only deserve it by giving more thought to their duties than their rights. Merely performing their allotted task in a routine way, and

shirking all they can, does not fulfil the measure of this duty. They must put their conscience into their work, despising the shirk and avoiding all wastefulness, and with an eye single to the interests of their employers, keeping in mind that their continued success and ability to afford steady work and fair wages will depend on the skill and carefulness of workmen. They must be willing to accept reductions in wages and shorter hours of labor when times are dull, and should be very careful about giving their allegiance to dangerous societies that demand of them the sinking of their individuality in blind obedience to unknown and perhaps unworthy masters, and which makes them unwilling participants in strikes that are ordered without sufficient grounds and against their better judgment. They should look on strikes of this kind as crimes against their employers, themselves, and families, and society at large. They should give over looking on the masters as drones, who live off their labor. Because they see them in comfortable offices reading over papers and studying over plans, they must not envy them exemption from manual labor. Mental labor is the most arduous of all, and next to virtue there is no article so rare and invaluable as brains, and none entitled to so high a reward. The promise is that virtue will receive the highest reward in the next world as brains does in this. It is no longer blood that tells, as in the days of conquest and brute force—it is brains that tell. And the few that have the brains must be the organizers and leaders of men. You must not despair if you see some who make success the rule of right and wrong. The world is not, as the revolutionists would have us believe, 'the patrimony of the most dexterous scoundrels.' It is for all to enjoy within certain bounds. In conclusion, I would say an educated or quickened conscience on both sides, by studying the duties rather than

the rights of Capital and Labor, will answer not alone one but all of your questions. An adherence to the principle of eternal justice will—1. Make strikes and lock-outs no longer necessary features, but rare exceptions. 2. Lead to arbitration. Men who consider first their duties, the one to the other, are in a fair mood for arbitration. 3. Not only give grounds for hope of reaching a satisfactory and equitable basis for division of profits arising from industrial enterprises, but reach in proportion as the principle is allowed to operate. 4. It will amount to practical participation in the profits arising from industrial productions. 5. It will be true co-operation—free from the well-known objections that have been found to all schemes of a co-operative character that have been tried so far.”

*General W. H. POWELL, President Western Nail Company,
Belleville, Ill.*

“My answers to your important questions shall be brief and given from my long practical stand-point. I shall not attempt to deal with any other phase of business interest than that in which I now am and have been engaged since 1835, as employé and employer, in organizations co-operative and non-co-operative, individual and corporative. For I concede that in influence the late consolidated Amalgamated Iron and Steel Workers' Association of America is the most powerful of all labor organizations, and the most rigid monopoly in existence to-day in the United States—all other labor organizations being but mere offshoots.

“1. I do not consider strikes and lock-outs as necessary features, or results of the present wage system. I hold that the true and real interests of Capital and Labor are identical and inseparable. They are, however, the results consequent upon the ill-advised counsels of designing men,

denominated leaders, who are influenced by passion and prejudice, regardless of the real interests of the masses of the laboring classes, protecting the highest paid labor, and controlling the lowest paid labor by intimidation and defamiation, regardless of consequent results.

“2. Arbitration is, in my opinion, the necessary link between Capital and Labor. The refusal of the organization known as the United Nailers to submit the wage question to arbitration last April, as was the custom of the Amalgamated Association of the Iron and Steel Workers of the United States, from which the United Nailers of America seceded last spring, is the sole cause of the long, bitter contest between the manufacturers and their workmen. Legislative arbitration will not obviate strikes and their consequent evils.

“There is no power in the State, Church, or societies, no police or military capable of compelling or enforcing compulsory practical arbitration. Capital and Labor have ever existed in their separate, independent spheres and interests, and ever will to the end of time. Their union alone makes their combined interests one and inseparable. Amicable arbitration between Capital and Labor is the only true remedy. The adjustment of all wages must be based upon the equitable claims of each, which, in my opinion, can only be reached through the medium of an adjustable scale, governed by the minimum and maximum marketable values of the combined product of capital and labor.

“3. I think it next to an impossibility to establish an equitable, harmonious basis between Capital and Labor, or between the individual laboring participants in industrial partnerships, upon the mutual participating basis for the divisions of profits; hence I do not deem it necessary to argue the question. Neither do I think that the remedy suggested in your fourth question lies in the direction of

industrial partnerships and mutual participation in the profits. Inequality is seen upon the entirety of God's created work. All men are not alike, nor can any power on earth make them so. Hence, the combination of capital and unequalled labor in capacity and adaptability upon an industrial partnership and mutual participation in the profits of the business would require an *ad valorem* system in men's capacity, tempers, dispositions, and ambitions, as well as wages or equal divisions of profits, which would open up a new and difficult basis of equalization, which we regard as improbable, if not indeed impossible.

"5. The experiences of productive co-operative enterprises in the United States are by no means flattering, nor do they give any hope of relief. The instances on record of the organizations of co-operative industries are many, while the history of the success of such enterprises are very few. Results show very conclusively that the co-operative features of such enterprises were of short duration because of the lack of adhesiveness in the body corporate absolutely necessary to success — demonstrated in the old truism that too many cooks always spoil the broth."

WARREN T. KELLOGG, *Manager Empire Portable Forge Company, Cohoes, N. Y.*

"1. It is not an easy matter to explain one's position on the great questions of Labor and Capital in a few words, and in many cases one is liable to be misunderstood. In answering your questions, I feel compelled to admit that, as at present organized, strikes and lock-outs are the necessary and unavoidable fruits of the wage system, and will continue to be in all large establishments, where the employer cannot be personally acquainted with his employés. And these things must continue until the wage is determined by the profits of the business.

"2. I have no expectation that arbitration can solve the difficulty.

"3. The true basis, as hinted above, is co-operation, or at least to that extent that the sober and industrious employé can advance his interests by advancing those of his employer, which state of things I believe to be practical, and will result in lifting up the laborer and developing a class now almost unknown in the United States, viz., a servant seeking the best interests of his employer."

SAMUEL LAUGHLIN, Esq., *President of the Junction Iron Company, Wheeling, West Virginia.*

"The experience of myself for six months in our mills at Mingo and Martin's Ferry, both nail-mills employing a large number—over one thousand—of intelligent operatives and men whom I personally highly esteem, has been painful to myself and brother, whose death was produced by the incidents of the strike, now lasting over seven months. I have been a quiet observer of the inception and progress of this difficulty, and have been an unwilling participant in it. I do not feel that strikes or lock-outs are a necessary feature of the wage system, but do believe arbitration the proper method for the settlement of the differences which arise between the employers and those employed. I am confident, could the parties connected with our nail-mills have had a board of arbitration or even a conference committee, or any method of bringing the moderate and conservative men of both sides together, a settlement could have been reached, saving the immense loss of wages, keeping the busy wheels of mills in operation, avoiding scenes of riot, maintaining the peace and laws which have been violated, giving the food and comfort to many families which have been deprived of it, and kept many a good man from saloons, intemperance, and vice—the sequences

of idleness. In the initial point of our differences this year there was no provision made by the nailers for any conference with the manufacturers, and before such had been provided passion and prejudice had usurped the seat of judgment and true arguments, and facts were accepted only as the means of securing selfish purposes. While I believe the scale presented to the nailers by the manufacturers mainly correct, and demanded by the condition of trade and surrounding competition, yet it made demands only which could have been harmonized with conflicting views had both parties met in conference. The nailers of our locality are intelligent men as a class and could readily see the requirements of the day, that any arbitrary scale placing us at a disadvantage with other manufacturers could only be to their ultimate disadvantage. Hence I feel that arbitration is not only a wise method, but in fact the only way to harmonize differences arising in reaching an equitable basis of the wage question, although I am not prepared to suggest the method most desired."

N. O. NELSON, Esq., *President of the N. O. Nelson Manufacturing Company, St. Louis, Mo.*

"Responding to your serial questions concerning strikes and lock-outs, I would say :

"1. Under the present wage system strikes and lock-outs are a necessary feature.

"2. Arbitration is not a perfect but the most available remedy.

"3. A better remedy must be sought in a revision of the whole system of property and its distribution.

"4 and 5. The industrial force is too large and unwieldy to allow of co-operation or division of profits being generally adopted. The origin of the pressure of wage-workers for employment at the hands of capital lies in two funda-

mental causes—the monopoly and consequent withholding from use of great bodies of land and the displacement by machinery of a large percentage of independent proprietors in country and city. In new countries, where land is free or very cheap, there are few wage-workers and no strikes. In the great industrial States it requires a considerable fortune to be a proprietor of any description. Capital in both real and personal property accumulates and centralizes into relatively few hands with a corresponding and necessary increase in number and dependence of wage-earners. In the periods of active exchange, wages, prices and profits are good. The proprietor saves a liberal margin, stocks accumulate, and at last so much is stored up that there is a clear surplus, and factories begin to close. Wages ceasing, cuts off the workman's purchases, and soon a general stagnation results. Had a larger share been paid the workmen the surplus would not have accumulated. Was there now free or cheap land the workman could leave his glutted employment and make his living outside the factory; the excessive pressure for factory employments would never have occurred, and inequalities of production would readily adjust themselves. With some factories closed, many running short time, and goods a drug at rapidly declining prices, wages go down. Here comes in the strike and the lock-out. Each manufacturer is one of a vast system; he cannot pay more, if he would, than his competitors; he can run by underselling, but this he can do only by reducing wages. He has gained his foothold by force and independence of character, and he will not in this emergency submit to interference by others, certainly not his workmen. Ignorant or careless of general principles, he holds his affairs to be his own, and labor to be worth just what it will bring. He can stop his factory and live. His hands cannot. An irrepressible conflict

is thus reached as distinct as that which Seward declared to exist between freedom and slavery. Half-starved and exasperated, the combined workmen strike. Production stops, enormous waste ensues, and hot blood is engendered. Some would arbitrate, but under all circumstances the vast majority of employers would beg to be excused from interference. Co-operation in general is impracticable because workmen have insufficient capital, and chiefly because they must guess at their leaders, while the capitalist proprietor has reached his position by natural selection and adaptability. Starting as equals, a scramble for the softer places must engender dissensions, jealousies, and disorder. Industrial partnerships or sharing profits with employers is open to about the same objections. Too many cooks spoil the broth. As each man is primarily caring for himself first, the employer cannot well see his advantage in first paying, as he must, the same wages as his competitor, and then dividing at the end of the year. Whether short-sighted or not, he would prefer to pay at once what he was to finally pay. That strikes and lock-outs are a waste, and a source of distress much similar to war, is self-evident; and pitting class against class as distinctly as in the days of Louis XVI., we may well look with alarm at the rapidly approaching day of settlement. Millions of able and intelligent men, citizens of a bountiful country, will not complacently see their families hungry while they are willing to work for the bread and clothing and house-room which is superabundant, and they will not look too scrupulously at the tenure of title by which a few men have secured so great an advantage. As nothing better can be immediately reached, arbitration and a division of profits are commendable remedies. In the mean time the payment of fair wages will, as a rule, obviate strikes."

ELLIOT TODD, Esq., *President Standard Foundry, St. Louis, Mo.*

"1. Yes.

"2. No; the party who feels aggrieved will find a way to avoid any agreement.

"3. There are many arrangements of this kind, but it requires an unusually shrewd man to manage them in bad times.

"4 and 5. As long as every man is as good or better than the one in authority, just so long will men be dissatisfied at not getting as much as he."

A. N. DRUMMOND, Esq., *President of the Black Heath Mining Company, Colfax, Ia.*

"1. I believe there are cases where laborers can get justice in no other way.

"2. Some good may result from arbitration.

"3. Yes.

"4. In my experience the laborers seem to want all the profits.

"5. In some cases maybe."

A. H. DANFORTH, Esq., *Vice-President and General Manager of the Colorado Coal and Iron Company, South Pueblo, Col.*

"1. Strikes and lock-outs are not a necessary feature of the wage system, but are necessarily associated with human society in a certain stage of development. They are the outgrowth of certain characteristics of human nature—avarice, obstinacy, independence, and a strong sense of right and justice. These are the characteristics of all strong races of men, and hence strikes only occur among the races which in other ways have shown strength of character. The same traits of character which produce wars among nations cause labor strikes and lock-outs.

" 2. Arbitration is not a panacea to cure the ills of labor, but it represents the next stage of human development in advance of strikes. In the Middle Ages might was right, and every dispute was settled by a resort to force. This was the age of feudalism. Following that came the establishment of courts of justice for the settlement of disputes, and the judge and lawyer took the place of the baron and soldier in the settlement of private differences. Strikes and lock-outs are the characteristics of the feudal age of labor and capital, and arbitration will be the characteristic of the age of law. But arbitration will probably bring no greater satisfaction for either side. It will merely involve the use of different and less costly and more humane methods, and hence it means one step in advance.

"The third, fourth, and fifth questions all relate to the same general subject, and so I will answer them collectively. There are three fundamental causes of labor troubles. 1st. The question of equitable division of the profits of production between the laborer and employer. 2d. The desire for uniformity, not equality, of wages on the part of the less skilful workmen. As the most skilful are in a minority, and as they are less apt to join trades-unions, because they do not need their protection, the less skilful and the slothful have no difficulty in controlling the action of labor unions, and hence in all these bodies is engrafted the inequitable principle that the poor workman should receive the same rate of wages as the skilful one. 3d. The influence of unscrupulous labor leaders and agitators. I speak now only of the class who foment trouble because their occupation and profit arise from the prominence into which they rise in times of strikes. They are the buzzards who hover about and fatten upon the battle-field where Labor and Capital have fought. The remedy for the first cause lies largely with the individual employer.

He must win the confidence of those he employs. In doing so he must contend with ignorance and prejudice very often ; but if his acts are inspired by a sense of right and justice, and if he is willing to let that sense show forth in his acts, he will eventually succeed in establishing a basis of mutual trust and esteem with his employés. I believe that the special way in which this can be done must vary with the circumstances of the case, but I believe that the remedy lies in the direction of the following plan, which could be adapted to most cases: Let the employer say to his foreman, I am entitled to so much per cent. as interest on my investment. You are entitled to such rates of wages for your labor. At the end of each year all profits over and above expenses—including in expenses the interest on investment—shall be divided between employer and employés, that which goes to employés to be pro-rated on the basis of number of days' work done. The details of the system would have to be adjusted to suit individual cases, but the principle involved would, I believe, be equitable, and would bring peace and prosperity to both employer and employed. One difficulty would arise in cases where a year's business showed a loss ; but if every manufacturer worked upon this system there would be less loss, as it would tend to prevent ruinous competition resulting in goods being sold at less than cost. Such a system would also meet the growing demand for shorter hours of labor. Many farmers and merchants have long ago adopted this principle, and it has been found to work well. But, as I have said before, much depends upon individual character, and no system will compensate for lack of judgment and sound sense in the individual who attempts to apply it. As to the second cause, the remedy lies in an alliance for mutual protection between the employer and the industrious workmen on the one hand against the slothful and careless workmen on the

other, just as the moral elements of society band themselves together against the vicious. The remedy for the third cause lies in a greater degree of intelligence (not necessarily education, but intelligence) among workmen. This intelligence can be fostered and cultivated very greatly by the employer; and when the employer has once put himself in a position where he has won the confidence of his men, he need have no further fear of the influence of evil-disposed leaders. The solution of the whole question of the relations of Capital and Labor must be evolved out of the chaos which now exists, and much time and money will be spent before the solution is reached. The employer who recognizes the just rights of his men, and who places himself on a footing of equity and confidence with them, is the fittest, and hence will survive, and thus eventually will the problem be worked out. The co-operative plan, pure and simple, can never come into play except as regards enterprises on a very small scale, and even then it is not likely to succeed, but the co-operative principle in some form must be the basis upon which industrial enterprises will finally be adjusted. The aggregation of wealth in a few hands, coupled with discontent among the masses, are incompatible with republican institutions, and safety lies in some middle ground between an aristocracy of wealth on the one hand and socialism on the other."

The Secretary and Treasurer of one of the largest steel manufacturing concerns in this country writes :

"1. Not necessarily. Ignorance and liquor-drinking are the difficulties on the one hand, and greed on the other.

"2. Doubtful. Experience here has been on the whole unfavorable. . . .

"4. Not with the class of working-men employed in this vicinity.

“5. Yes, conditioned upon the workmen being provident and intelligent.”

JOSEPH CORNS, SR., of *Joseph Corns & Son, Massillon (O.) Rolling-mill.*

“1. No! most positively no. It is the lack of knowledge on both sides of the wage system, and the ignorance grows out of the consuming greed for the lion's share on both sides. The effort and time is used and made in securing that end rather than in finding out which, in the long-run, would be the most equitable to both. Until the latter becomes the rule of action, strikes, etc., will occur, and the ever-varying conditions of trade will determine the kind and amount of friction between the parties in interest.

“2. We answer just as positively, No. No arbitrator can comprehend the varying conditions of each side, and very few men will so expose their private affairs as to fully enable the arbitrator to judge fairly; and the result of the answers to question No. 1 is the entire loss of confidence between the parties in interest that make arbitration a farce, which seldom lasts as long after the results of an arbitration is known as it required to reach the decision; and I have invariably found that the consenting to the result of arbitration was no more nor less than the weak side desiring an excuse for abandoning, for the time being, the contest, to be taken up at a more convenient season.

“3. We answer again, No. No division of profits in the form of dividends made up from the yearly settlements will satisfy both parties at the same time. If dividends are short, somebody is dissatisfied—bad management or something else is the cause.

“4. No; for the reason that so many men whose labor is so varied and so little understood by each other that

jealousy and bickerings are the result, and failure in the end as a very natural result.

“In my judgment, made up from an experience of fifty-five years’ duration, both as employer and employé, there is but one way to successfully conduct the iron business. First, the employer must act truthfully, promptly, considerately, and impartially with all the men employed, keeping no man that he cannot treat with common decency, being at all times ready to pay all the wages that the business will justify, and do it cheerfully. If such a course is pursued there will seldom be a misunderstanding, for I have always been able to show a good cause for any change in wages, and they were generally accepted until within a few years; and since then the whole mass of employers are mistrusted and distrusted as the result of the tyranny of some employers. There are some among them and no mistake. Workmen properly treated will seldom if ever strike—that is my experience. The bitterness now existing is the result of continued oppression and retaliation, first by one side, then the other, and until all this can be changed the fight will go on. You may theorize and reason and plan and arbitrate as you please, but the chasm will remain unbridged. There are numerous and good reasons that could be given for the position taken, but I suppose your spare room would not be sufficient to repeat them.”

The writer of the following is a prominent iron manufacturer, who requests us to withhold his name.

“It will be conceded that ‘the relations of Capital and Labor are gradually but none the less surely becoming more strained,’ so are all other monetary and tariff relations similarly affected. They are matters too profound for solution by legislation; they can only be solved by the long, painful experience of ages—by the slow evolutionary growth that

must result from a higher and more general civilization—by uplifting man, not by law, but by education, by moral restraint.

“The writer knows of model shops and factories in prosperous Ohio and Indiana towns and cities, which have for several decades been a source of profit to employers and workmen, in which no strike or lock-out attended with violence or disorder has ever occurred, and in which no such violent strikes as occur in rolling-mills and mines is possible. The men are intelligent, thrifty, well-paid, and thoroughly free and independent. The saloon does not encroach on their financial and moral resources, nor the lodge on their manhood. The man is supreme, not the lodge. They use wisely the freedom which the laws give each of them. With such conditions I would answer your first question in the negative.

“But given a class of employers who have nothing in common with a class of employés bonded together by aggressive socialistic and labor lodges, whose members are mostly of foreign birth, whose wages, ample for the family and school, are spent in the saloon—with such conditions I would answer your first question in the affirmative, and say that violent and disorderly strikes are unavoidable, and can only be averted by a higher civilization, not by law.

“Granted entire freedom to Capital and Labor (and this is about all the law can do) and the violence and disorder of strikes would be impossible. The long, world-wide, industrial depression has demonstrated that the price at which the employer can sell his product and the workman his labor are beyond the control of either and beyond the control of legislation—they are governed by the world’s demand and supply.

“Arbitration presupposes reasonable litigants; with these it is perhaps the best method that can be adopted. One can

always arbitrate with free, reasonable men, but never with a lodge.

“The writer knows of strikes lasting five and six months, with ineffectual conference and loss on both sides, where a full understanding was never reached until the bankrupt manufacturer met his tramp workman on the common highway of equality. They then knew less about political economy than they thought they did, but a great deal more about ‘the relations of Capital and Labor.’ This is a case that the law cannot reach; nothing but the principles of the Sermon on the Mount could avert it. There is nothing conclusive except practical results. Oh, how weary we all are of theories! That was a wise iron manufacturer who answered Secretary Manning’s letter about the cost of iron. ‘The only way to find the cost of iron,’ he said, ‘is to build a rolling-mill and run it.’ He was right. Money and profits are regulated by inexorable but beneficent laws of which we scarcely know anything. Capital is so abundant, so alert, that any manufacture paying even about six per cent. profit is at once duplicated, or any railroad paying more than the same profit is at once paralleled. Thus nothing can withstand our sharp American competition. What the law could not do, in that it was weak, competition has accomplished. Monopolies and even successful combinations are impossible.

“So long as the people of this country spend \$1,000,000,000 yearly on the drink habit, so long will the relations of Capital and Labor be strained, as well as all other relations that affect the well-being of our country.”

E. A. WHEELER, ESQ., *Manager of the Wheeler Furnace Company, Sharon, Pa.*

“1. Strikes and lock-outs are necessary, and are the only legitimate way to settle prices of labor under the present

wage system. The wage-worker has no other way to test the market for increased wages than to stop work and see whether the operator will pay the demand or shut down the works. If times are good and the article manufactured wanted, the stop is generally of short duration, the operator accedes to the demand and adds a percentage to the selling price of his goods, and the works go on and every person has been benefited. But if times are hard, and a large stock on hand, the proprietor is overjoyed that his pay-roll is stopped, and it gives him a chance to clean out the stock and make his collections, and in a short time he is in a much better position. Although there has been much bad blood stirred up, like muddy water it has settled by standing; the strike is settled and all works well again. Lock-outs are conducted much the same way, only the operator finds himself overstocked with goods and a dull market, and he must either stop work or reduce the cost, and he demands a reduction in wages, or a shut down if his workmen refuse to accept; the lock-out follows, very likely to the advantage of both parties. The operator cleans up his stock, gets in better shape, calls in his workmen and settles on some terms, and all goes on as before. Strikes seldom occur when times are good, and I hope to show, before I am through, how the surplus labor can be utilized.

“2. Arbitration is not satisfactory, and never will be as a means of settling this great labor question. It is a compromise without any regard to fairness. It is a ‘split-the-difference’ ‘horse-jockey’ style. It gives neither party what they demand, consequently neither party is satisfied. The proprietor knows better what he can do in his own business than any stranger can come in and tell him; and if the compromise does not suit him he can close his works, and will, if he cannot run at a profit. We have an arbitra-

tion law in this State, and it was tried in the coal-miners' strike last year near Pittsburg, and the miners refused to stand by the decision of the arbitrators.

"3. Industrial enterprise is the great lever that moves the commerce of the world, and free to all. It is the means by which the laborer with energy, sobriety, and enterprise becomes the workman, foreman, proprietor, capitalist, millionaire, and finally denounced as the bloated bond-holder, although his enterprise has employed honest working people by the thousands. Industrial enterprise offers success to all who have the pluck and brain to work themselves up.

"4. The Standard Oil Company might be called a productive co-operation. They took out a charter, subscribed stock, elected officers, and went into the oil business, employed laborers and workmen by the thousands, paid as good wages as others, gave steady employment, extended their business all over the civilized world, and have made large profits, which they have divided among their stockholders. They are denounced as a great monopoly. If we had plenty more such monopolies labor would find better employment. There is nothing to prevent others from organizing and doing as they have, if they have the energy and brains to run the business. There is only one monopoly that we need to fear—that is land monopoly. Land is God's given inheritance to the people, and it is a burning shame and sin that our government has been giving it away to corporations and selling it to foreigners in large blocks. No man or company should be allowed to hold any more land than he could use, say from one hundred to five hundred acres, and the government should take possession of all over that amount by purchase or otherwise, and hold it for actual settlers. Nothing will change the whole nature of a man so much as to have a home of his own.

This is a question that every American citizen is interested in. The land monopoly could be regulated by an increased tax-rate per acre on large tracts, so that it would be unprofitable to hold them.

“ We all see the condition of things. We see the great masses of idle, discontented, hungry, and desperate, communism, socialism, dynamitism, and labor unions, all endeavoring to do something, they know not what. This is too vast a question for individual enterprise to solve. Perhaps the nearest this labor question was ever solved was under the rule of Louis Napoleon in France. He knew the way to keep the people contented was to keep them employed. In Paris he opened up lanes into boulevards, he tore down dilapidated buildings and in their places built the finest blocks. He made Paris the finest city in the world. He built docks and harbors—in fact, did anything and everything to keep labor employed. He taxed Capital to pay Labor, and the people were prosperous and happy.

“ The only way I see out of this trouble is for the government to take it in hand; first, by regulating the emigration to this country. In times of great depression we cannot afford to take all the surplus labor of Europe. I know of no better way than to collect a duty from each emigrant. If this is a better country than the one they left, why should they not pay for the privilege of our advantages? I would make the tax large enough to keep out the beggars, thieves, organ-grinders, socialists, and communists. Then let Congress pass an act authorizing the President to call out or enlist a civil service army, equipped for work under the command of our regular army officers and engineers, at draining and reclaiming swamp lands, boring artesian wells (where water is scarce), building harbors, straightening rivers, building a great national

railroad from east to west, preparing waste lands for settlers; and when a man has served the time he enlisted for, give him a farm and free transportation to it and a little money to start, and in this way take up the surplus labor. Give the communist and socialist a chance to own a home and he will quit talking about dividing up. This may be considered a wild scheme, but something must be done; either the government must take care of this surplus labor or they will have to employ an army to suppress bread riots and mob law."

E. G. PECKHAM, Esq., *Toledo, O.*

"It is certainly in a very bad situation now, when the employer thinks his men the most unreasonable and ugly set on earth, and the employés think their bosses would force them down to starvation prices if they could. This war has been going on so long that it will be more difficult to get things in the right track than it would have been at an earlier day. But to the employer who is willing to allow his men a fair and equitable share of the profits of the business the difficulties are not insurmountable. Suppose we infuse a little practical Christianity into the business. Let the proprietors get acquainted with their men; call them together once in a while and talk to them, and invite the men to talk back; furnish them with a library and a reading-room; give them a half day holiday occasionally; look after the comforts around their homes, and by other such ways make them feel that you are their friend and well-wisher. They will soon reciprocate the kindly feeling and give you their confidence. How does a general do with his army? He looks out carefully for their comfort—sees that their rations are good and abundant, water near, etc., and he wants them to know that he is solicitous for their comfort. He wants them

not only to obey his commands, but to respect him and feel kindly towards him — knowing that with such feelings they will obey him more promptly and fight more courageously. It is precisely so with your armies of workers. It is for your interest to gain their confidence. They are not any more desirous of strikes than you are, will bear a good deal of what they think injustice before resorting to a strike. But they must have food and raiment and the comforts of a home; life, liberty, and the pursuits of happiness. Cultivate something of the spirit that prevails at Pullman and in other places. I think this the only true solution of the labor problem, and I do not see why it is not entirely practical, and would make things not only much pleasanter, but also very much more profitable to all concerned. A contented man will be an efficient worker.”

J. F. DARNALL, *President of the Greencastle (Indiana) Iron and Nail Company.*

“1. They are a natural result of the present system. The wage-worker studies but one side of the question, hence is educated and indoctrinated into false ideas and theories of commercial interest, and seeks to do by organization that which is impracticable and absurd. Stimulated by the cry of oppression, he is led to be the oppressor. Designing men and demagogues, ever on the alert for selfish purposes, availing themselves of opportunities presented by labor disturbances for notoriety, are no small factors in producing unrest and disquietude.

“2. No; I answer, No! The missing link is common-sense, and to this we must come for a correct solution. Labor is business, and the employment of labor is business; employer and employé have equal rights, and are entitled to equal protection by law, reason, or justice. A man sells his labor as a merchant sells his goods. It takes two to

make a contract. Where does the principle of intervention come in if one of the parties does not wish to buy or sell to the other? In the absence of specific contract it is nowhere held that a man can compel another to work for him if he does not want to work. Nor should a man be compelled to hire a man he does not want. If this principle is correct as to one man, it is equally so as to ten men; or if the employer be one man or a company of men, differing only in degree. A man or company of men build an elevator, and will only pay seventy-five cents per bushel for wheat; the farmers ask a dollar. Do they call for a board of arbitration? No; they simply keep the wheat or take it elsewhere. Is there any more reason why arbitration should be called to say what the elevator company should pay for labor to handle the wheat than to say what they should pay for the wheat?

“Let us apply this common-sense principle to all industrial pursuits. If Capital will not pay the price Labor demands, leave both in the enjoyment of their rights and property; to impose on one is tyranny, the other slavery. The spirit of communism springing into life in this country is a result growing out of a violation of this plain, common-sense idea. We believe the tendency for both Labor and Capital is to smaller rewards. The country is passing from a sparse to a dense population, the labor portion increasing probably in the greater ratio, and by natural law the inclination of wages downward. Capital, by excessive competition, has been compelled to avail itself of all modern appliances to increase its productive capacity to cheapen the product. The great cry of the age is ‘cheap goods,’ which means cheap labor. Both are coming, and much of the resistance offered is fighting the irresistible.

“As to your fourth and fifth questions in regard to industrial partnerships and productive co-operation, I would

say, we recognize the equality of all men before the law, and that they are endowed with certain inalienable rights, etc. But there is a difference in the circumstances, aptitudes, thoughts, inclinations, opinions, and judgments of men that make it impossible to bring into general use a system of productive co-operation that would produce harmony in the distribution of profits arising from industrial enterprises. If man were a machine or automaton, then the adjusting principle would naturally be industrial partnership and mutual participation."

S. J. MORRIS, of the *Cyclone Manufacturing Company, De Witt, Ia.*

"1. Yes, until the employé shall have learned the lesson that Labor is dependent upon Capital. Labor must work. Capital may or may not—the presumption is very strong that it need not. Labor may, and quite frequently does, squeeze too hard the goose that laid the golden egg.*

"2. No. Arbitration is a rule of equity, and who of us would submit to a third and entirely disinterested or uninterested party the question, 'How much shall we have for a dozen clothes-pins or a ton of pig-iron?' It may be that labor possesses some secret charm that absolves it from the

* "What we call a working-man is a wage-worker: a man who works, whether with brain or hand, under the employment of another, on whom he is dependent, first, for the opportunity to work at all; second, for the compensation for his work; third, for the conditions under which that work can be carried on. Under this system, labor—that is, the laborer—is a commodity to be hired in the cheapest market. The capitalist, interested to pay as little for labor as possible, organizes to bear the labor market—that is, to depress wages; the laborers, interested to get as much for what they have to sell as possible, organize to bull the labor market; and the price paid by one and received by the other is determined by the conflict between the two."—LYMAN ABBOTT.

common and natural law of other commodities, that of supply and demand, but it is so secret that it strikes us as yet undiscovered.

“3. No; for under the existing temper of the workman, the profits, however large, would not be wholly satisfactory; and if the dividend were passed the matter is still worse, and cries of fraud, oppression, etc., rend the air on all sides. We may hope for some such basis, but let us not tumble over ourselves in doing so until the workman shall read, think, educate himself; until he shall spend less time and money in saloons; until both parties, employer and employé, shall think less of self and rights, and more of duty and square dealing—in short, until the millennium.

“4. Maybe; but the bugbear of capital will still intrude and insist that it, too, is worth something, and brains, ever present in every profitable and worthy enterprise, might perhaps, suggest its superiority of worth over that of hands. Is not the present wage system an industrial partnership? Are not brains and capital as alert and active as hands?

“5. No. The grange movement, although not strictly productive, would seem to illustrate this negation. A rope of sand, the larger and longer and heavier it grew, so grew it weaker.

“And, gentlemen, workmen, whether named brains, capital, or hands, this strife, as strife in these days it must be termed, is unprofitable, is unmanly, is unreasoning—in every phase is little short of idiotic. There is no antagonism between you; there can be none, for without the others each is useless. The triune must be complete, and whether combined in one person or diffused throughout a thousand, it is precisely the same. Each has his part to do, and therein, if he be a master workman, has enough to do.”

J. G. BATTERSON, Esq., *President New England Granite Works, Hartford, Conn.*

“1. If this question refers to the general system of paying wages for the workmen’s time or service, I think the answer must be, No. If it refers to a particular system or method of payment, by which the men are compelled to accept a large portion of their wages in supplies from a company store at high prices—or, when paid in money, is paid at uncertain times, thus forcing an assignment of wages in order to procure the necessaries of life—then it is clear that all such objectional and offensive methods are likely to result in a strike.

“Strikes rarely occur when business is so dull that the men are put upon half time and reduced wages; but when business is so active that the supply of skilled labor is not equal to the demand, then the workmen take advantage of the situation and strike for higher wages, in the same way that the merchant marks up his goods when the demand is greater than the supply. Viewed then from the standpoint of supply and demand, the wage system is necessarily provocative of strikes and lock-outs, for the employer who has been forced to submit to a strike for higher wages in brisk times, will quite likely shut down his mill in dull times, rather than do business at a loss for the sake of giving his men employment.

“2. I think not. The amount which a manufacturer shall pay as wages can no more be settled by arbitration than the price which the consumer shall pay for the goods can be settled by arbitration. There are some questions of disagreement involving the protection of rights and the remedy for wrongs which can be settled by arbitration, but this does not reach the missing link. ‘The hireling fleeth because he is an hireling;’ and that is as true to-day

as it was eighteen hundred years ago. When we can discover the means of elevating all intelligent and skilled labor above the degrading service of a mere hireling, admitting its right to an interest and reward commensurate with its capacity and contribution, then we shall have discovered the missing coupling, and not before.

“3. If I correctly understand what you mean by ‘industrial enterprises,’ I should say, Yes.

“4. It is easy enough to say yes to this question as a matter of theory; reduce it to practice and your troubles begin with the first step. An ‘industrial partnership’ will not necessarily be successful for the reason that the theory is correct. Success in business, whether conducted by a single individual or by an association of individuals, is generally dependent upon the skill, integrity, and sound judgment of a single mind, of such executive ability and foresight that fatal mistakes will be avoided. If the principal manager be a man of inferior ability, no amount of capital will be sufficient, and the certainty of failure will be increased by the larger number of men added to his management.

“5. On a small scale, yes; on a large scale, no, and for the reasons just stated. Let one thousand men, all good and skilful workmen in the industries of iron and steel, contribute five hundred dollars each for the construction of a plant, under an agreement that they do their own work and divide the profits. In these thousand men there would be found a great diversity of talent, and, what is worse, there will be a greater diversity of opinion, and the interests being equal, the voices of those least qualified to judge would often prevail over those best qualified to control the policy of the business, and determine what orders to receive and what to decline. So great would be the embarrassments to a general manager having a thousand equal partners,

that no man having the qualifications for such a position would take it with its responsibilities either for motives of profit or philanthropy; and yet it will not do to say that even such an organization could not be placed in the hands of a management which would in a single instance be successful; but the chances would be largely against it.

"The plan which I have proposed for our granite business at Westerly accompanies this letter, and explains my views as well as I can do by writing at any greater length.* I do not believe that deferring the dividend for a longer period than one year would be practicable; and if capital guarantees the outstanding accounts and credits at the end of the year for a fixed consideration, it is not necessary to go into liquidation in order to determine accurately the amount due to each man employed, neither to defer the payment to such distant day that the workman would fail to appreciate its present value. I am not ignorant of the mallet and chisel, and I well know the deferred hopes, the longings and aspirations of those whose only capital is muscle, ambition, and industry. I shall therefore enter into the solution of the questions which you have proposed with a hearty good-will.

"Whether Capital or Labor deserves the higher consideration at the hands of Congress or any other law-making power, is at this time an unfortunate question. Harmonize the interests, and all we need ask of Congress is to let us alone. We are already overwhelmed in this country by useless legislation, and we have much more to hope from the repeal than we have from the enactment of any law. If Congress could by public act provide that working-men should not be required to work more than eight hours in

* Mr. Batterson's plan is fully set forth in the chapter on "Profit-sharing."

a day, and that his pay should be five dollars for eight hours' labor, such a law would be crushed under its own weight, and could never be put in force for a single day. The universal law of supply and demand is superior to any law which can be enacted by Congress or any other power on earth."

H. M. MYERS & Co. (*Limited*), *Beaver Falls, Pa.*

"In our opinion strikes and lock-outs are not a necessity, for the reason that strikes and lock-outs result in loss, and in many cases very great loss, to all parties concerned. Therefore we repeat that strikes and lock-outs are not a necessity, unless it can be successfully maintained that a loss to all parties interested is a necessity, which we think cannot be. Now the question arises here, What is the remedy? In other words, What is the best way and means by which Labor may receive its just reward on the one hand and Capital a fair return on the other?"

"It is an absolute necessity, in our opinion, that the employer and employé be truly honest with each other as a basis of satisfactory dealing one with the other—in a word, equity; and how shall we ascertain this? This, we say, is a work for both the employer and employé, in order that they may discover a more satisfactory way of dividing the gains or profits of the business. Unfortunately, as is too often the case, the workmen insist on the employer doing all the work of trying to get along and finding out what is the matter, and that he discover the remedy therefor, while they (the workmen) propose to do nothing but stand still, as in case of strikes and lock-outs. Now, under our constitutional law and way of doing things in this country, there are but three ways out of the labor trouble as between Capital and Labor, and that is—1st. That the employer will honestly advance or reduce wages as absolute

necessity may require, without being asked to do so. 2d. That in case of difference of opinion between the workmen and employer as to the necessity of reducing, that three or five of its best, honest citizens, who are entirely disinterested parties on either side, be selected, to whom both sides shall state their case as if under oath, and with the understanding that the decision of the board of arbitration so selected shall be final and binding on each party for a term of six months or twelve months as the case may be. 3d. That in case one or both parties refuse to accept the opinion and decision of disinterested parties as to the matter of difference existing between employer and employés, then in that case that the employer and employés embrace their only sovereign rights under the constitutional laws of these United States, namely—that the employer does his own work (that is, providing he cannot get anybody else to do it for him), and that the workmen go into business for themselves as manufacturers, which is their free right and privilege to do. And just here we will say that so long as this right to engage in manufacturing, or in pursuit of any lawful business by which to get gain and profit, is vouchsafed to every individual citizen of the United States, no man has a right to resort to violence or force to compel any one to pay more for his labor than he is willing to pay, as the Golden Rule, which demands that 'As ye would that others should do unto you do ye even also unto them,' forbids it.

"Is productive co-operation practical? We answer, Yes, most certainly. We say that productive co-operation or co-operative manufacturing is as practical and legitimate as the co-operation of 50,000,000 of people called the United States Government. It is indeed the only practical, legitimate, and common-sense way of doing business, for the reason that where there is union there is strength, and for the

further reason that where there is a strict regard for the rights of all men there peace may be found; and that the one and only reason why co-operative manufacturing concerns have failed so often is the stubborn fact that nearly every member concerned in the co-operative enterprises heretofore have invariably insisted on being bell-sheep or general, which has as often resulted in defeat—and it is no wonder, as the best army that ever was marshalled would be defeated in battle in case all insisted on being generals. The secret of success in co-operation in our opinion would be simply this, that in case of a proposed co-operative enterprise, whatever it might be, that members of such co-operative institution elect such men to manage it in whom they have implicit confidence as to their honesty and ability to manage such business, and then stand aloof, never interfering in any way, directly or indirectly, by unjust criticisms or fault-finding, but on the other hand sustain and support them in every way, directly and indirectly; and then if the men so selected are the right men in the right place success is assured, all other things being equal, as against individual manufacturers. But in fine, we do not presume that any suggestions that we have made or can make, even if strictly adhered to and carried out, would be a perfect remedy or cure for all the ills that the laboring class as well as the manufacturing class seem to be heir to. Certain it is that so long as unfair and unjust competition is carried on by the manufacturers and tradesmen, by selling goods for less than they can produce them, and at the same time pay good, honest wages to their laborers, and their creditors dollar for dollar, on the one hand, while on the other hand workmen, manufacturers, and tradesmen are spending \$1,600,000,000 every year for strong drink and tobacco, we cannot expect anything but more or less misery or agony; indeed we have no right to expect anything better.”

C. W. CRAWFORD, of the *Brazil (Ind.) Foundry and Machine-shops.*

"1. Literally, no! But strikes are becoming more frequent every year, and since might is considered right they will probably continue. In the sweet by-and-by, when both parties learn to treat each other decently, and rely on their merits and the markets for success, and combinations become odious, strikes will not be necessary.

"2. No. 'A man convinced against his will is of the same opinion still.' No man of any dignity and ability is willing to be governed by the opinion of a committee. If he submits at all it is with a protest.

"3. If all parties acted honestly with each other, there is no fairer way than the wage system; the hope of a better plan is remote.

"4. Industrial partnership is very complicated and unsatisfactory, except with foremen and heads of departments. Mutual participation of all concerned is not practicable; it cuts off the right to discharge for cause. Employers are always on the alert to procure better workmen, and the right to make changes is inalienable. Workmen who are paid the highest wages, who have no investment, and incur no risk, have little right to a division of the profits. It savors of communism.

"5. Productive co-operation is practicable and commendable, but like every other business enterprise its success depends on the ability and integrity of an individual. It is no argument against co-operation that it sometimes fails. Other business concerns fail sometimes. It all depends on the economical management of the head of the concern, whether there are fifty owners or only one."

CHAPTER V.

A SYMPOSIUM ON SEVERAL PHASES OF THE LABOR QUESTION—*Continued.*

VIEWS OF WORKING-MEN.

DANIEL McLAUGHLIN, Esq., *Braidwood, Ill., President Miners' State Protective Organization.*

“ WITH pleasure will give you my answers to your questions, not as a theorist but as one who has had fifty years of practical experience as a laborer in the coal and iron mines of Great Britain and America.

“ 1. Yes, they are the fruits of that system surely, and I am afraid they will continue to be so long as man is considered a commodity to be bought and sold like other merchandise that is governed by the law of supply and demand.

“ 2. No, not necessarily so. But a board of arbitration, properly constituted of honest, intelligent men, with power to examine the books of any establishment where a dispute existed, to ascertain the legal amount of money invested (no watered stock to be taken into consideration) and the net earnings of the establishment, with the power to enforce its decision, would in my judgment prevent many great strikes and lock-outs, and bring more security to Capital and a better remuneration to the laborer.

“ 3. Certainly, that is the great hope entertained by every thoughtful and intelligent working-man, and is the aim and object of many of our trades organizations.

“ 4. Yes, that is one of the remedies which, if honestly

applied, would bring forth good results, create better feeling between employer and employed, more harmony, less wrangling, and secure for the laborer more of the fruits of his own toil.

“5. Yes, and is carried on successfully in many branches of industry in our country at the present. Of course it is on a small scale compared with the millions invested by corporations, but evidently large enough to prove that it is practicable. However, it will be many years before true co-operation can be applied in this country in a way that will bring much relief to the great army of producers. Many things stand in the way of the successful carrying out of true co-operation. 1st. Our education is not what it should be in that direction, hence our ignorance, prejudice, and jealousies stand in the way of our advancement for the present. 2d. The laws of our States, with very few exceptions, are not favorable to the workings of true co-operation. 3d. Money invested in private enterprise as well as large corporations is prejudiced against true co-operation among the masses, and throws many obstacles in the way of its success; such has been my experience in Great Britain and America. But I can observe a great change taking place in the minds of the intelligent and well-to-do citizens of our country in regard to the laborer's true position and his relations to society, and like many others of my fellow working-men I hope that the time is near at hand when the ignorant selfishness and greed of man will not be allowed to stand in the way of any change in our industrial system calculated to elevate and improve the moral and social condition of the toiling masses of our country, whose labors are the foundation-stone of all our greatness and grandeur, and the bulwark of our national liberty.”

ROBERT BENNET, Esq., *Master Workman of the Illinois State Assembly Knights of Labor.*

“ My work for the past twenty-four years has been with the mallet and chisel, but very little experience with the pen; nevertheless, I will cheerfully contribute a few thoughts on the subject named.

“ 1. The present wage system produces strikes just as naturally as whiskey produces drunkenness, misery, and crime, capitalistic combinations depriving labor of its God-ordained increase, dictating its remuneration, and rendering it impossible for the toilers to live in accordance with the aspirations and impulses of their better nature. The basis of our present wage system is cruel and vicious, the work of designing men. One illustration may suffice. Our martyred President, Abraham Lincoln, in his first message to Congress said, ‘ There is one point to which I desire to call the attention of Congress and the people. It is the attempt that is being made to place Capital upon an equal footing with, if not above, Labor in the structure of government. . . . Labor is prior to and independent of Capital. Capital is but the fruit of labor, and never could have existed if labor had not first existed. Therefore, labor deserves much the higher consideration.’ ‘ The attempt that is being made.’ This language is significant and full of meaning, indicating a scheme or plot. For what? To place Labor at the mercy of Capital, to take from the toiling millions an unjust share of the wealth they create, by way of watered stock on railroads, our financial system, truck stores, contract convict labor, importation of cheap labor under contracts from Europe and Asia, female and child labor to compete with manual labor, the result of improved machinery, the enactment of laws (State and National) in favor of corporations, and laying burdens grievous to be borne by the industrial

people. These are some of the causes that produce discontent, poverty, crime, and strikes. During the strike at Galveston, Texas, recently, business of all branches was suspended, and the cry went forth that innocent people were injured thereby. It was not so; an injury to one is the concern of all, and the people must learn this fact or suffer the consequences; this is an immutable principle. The Lord said unto Cain, 'Where is Abel, thy brother?' And he said, 'I know not, am I my brother's keeper?' So history teaches that men have been blinded by greed and selfishness, seeking their individual advancement, overlooking the rights of others, and violating the rights of those they deem helpless.

"2. Arbitration is a proper means to adopt for the settlement of disputes and grievances between employer and employés, but this method is only successful where labor organizations have the power to enforce it. Generally the employer claims that he has the right to pay such wages, employ those he chooses, make such rules and regulate the hours of labor as to him shall seem the best. On the other side, the working-people claim the right to say what their wages shall be, also the right to say they will not submit to a system that will degrade and pauperize them, and when no longer able to work, to be sent to the poor-house or become objects of charity. Much can be said in favor of arbitration.

"3. The profits arising from productive and distributive industry belong to the capital invested and the labor employed. Labor is entitled to the profits just as much as the capitalist. God created the earth and all that therein is. He gives the sunshine and the rain, everything for the good of man, and by labor the fruits of the earth are brought forth in rich abundance for our sustenance and comfort. Labor alone gives life and value to Capital, and

he men who go down in the mine to bring to the surface of the earth coal and metal, those who work with machinery, in fact all who toil and spin, are daily exposed to hardships and to the loss of limb, or to be crushed to death in their employment, are justly entitled to their share of the profits arising therefrom. Herein lies the remedy. When a man knows he will share in the profits of his labor he goes cheerfully to work and watches carefully the interest of such firm. The result of which will be the moral and financial improvement of all concerned. Yes, Mr. Lincoln was right, labor deserves much the higher consideration."

JOHN EHMANN, *Secretary Ohio Valley Trades Assembly, Wheeling, West Va.*

"1. They undoubtedly are the results of it in its present form. So long as labor is looked upon as a mere commodity which is fully paid with the scanty wages doled out to it under supply and demand, strikes and lock-outs cannot be avoided.

"2. Not in its present narrow sense. Power will never arbitrate. It looks upon the attempt of an outsider to decide questions of business for them very much as it does upon the existence and demands of unions. Arbitration may be resorted to by weak unions or individual capitalists fearful of an expensive strike, but otherwise neither side favors it.

"3. Yes, because the present system is a disgrace to common-sense. The first step towards the realization of a better basis is the organization of trades-unions. Wherever they exist they uphold and increase a better standard of wages and living. They are becoming the vehicles of practical self-government of the working-class. Through a better wages comes a more intelligent and broader-minded

class, which, through the drill and discipline of unionism, will enable the gradual realization of industrial self-government.

"4. That would be a desirable intermediary step. It would, however, still be a limited industrial monarchy. Capital would still have a quasi veto that would, however, not stand in the face of earnest and determined demand by the organized working-class. It would be the shell of the old system with the soul of the new struggling within it. It would, however, do much to regulate production and distribution, and either mitigate or entirely do away with the blundering crisis of to-day.

"5. Not as it is at present attempted, by little knots and groups of men. They are at the mercy of the market fluctuations, which only syndicates of capitalists can withstand. They could not compete with men who already have every avenue guarded and manned. It is practicable when attempted on a scale that would make a market of the co-operator's own needs supplied by themselves. A few shoemakers, tailors, farmers, moulders, etc., could not exchange mutually; but a shoemakers' union, tailors' union, farmers' union, etc., could form a miniature or nucleus of an industrial world, in which markets would balance production, independent of outside influences. The larger the scale on which productive co-operation is attempted the more certain is the attainment of the end sought. Unionism must come first. They will enforce respect for the human side of labor. Then will probably come the participation of labor in the profits of production, and finally the assumption of all production and distribution by unions, with executive officers performing the simplified exchanges now blunderingly essayed by individual capitalists."

JAMES K. MAGIE, *Chicago, Ill.*

"I am convinced that no adequate settlement of the propositions involved can be made short of governmental co-operation. Arbitration and division of profits, while systems and interests remain the same, are only present makeshifts, involving perpetual conflict. It is not because men are worse that these labor difficulties arise, but it is because civilization has advanced and the rights of man are more clearly discerned. There was a time when the hideousness of slavery was scarcely discernible, but there came a time when its only cure was civil equality, established by government. When debt, rents, and corporation dividends are abolished, and the government supplies the place of corporations, labor will then receive its own; not, however, by permission, privilege, or favor of any man, but by a law of trade and distribution as impartial as the sunshine. Prudence dictates no sudden revolution of society, hence all remedies should be gradual. I favor, as the first measure of governmental relief, the ultimate extinction of all debt, then railway ownership and control, and so on to the end of the chapter."

FRED SHURR, *Esq., Printer, Milwaukee, Wis.*

"1. Strikes and lock-outs are not necessary features of the wage system. They are the cause of much misery to the employés and great loss to the manufacturers..

"2. Down with the red flag. When nations can settle their difficulties by arbitration, why should not Capital and Labor do likewise?

"3 and 4. After thirty-seven years' labor at the printing-trade, and donating more or less per day towards building up the capital of different offices, I have come to the conclusion that the wage-worker should have a certain per-

centage of the actual profits, let it be ever so small; it will give him an interest which he never felt before, and, I have no doubt, do away with strikes and lock-outs altogether. As labor cannot do without capital, and to produce capital requires labor, they would then go hand in hand—united.

“5. I have had some experience. In 1861, being one of fourteen striking printers, we resolved to start a co-operative daily—eight column folio. After gathering in all the shekels and counting them over, we found, to our great joy, that the amount reached \$76. We engaged an outfit of second-hand type on I. O. U., and ran up the edition to 954 in seventeen days—money all gone—no coal, and it being winter—so we formed ourselves into a committee of collection, but through some oversight we failed to set the day for reporting. The committee not yet having reported, I shall wait until I hear from my partners before expressing my views on co-operation.”

P. H. DONNELLY, ESQ., *General Secretary of the Illinois Miners' Protective Association.*

“I look upon the acceptance of the principle of arbitration for settling disputes and as a preventive against their occurring, by the laboring men of thought and the employers disposed to do what is fair by their employés, as being a hopeful sign in this conflict between Labor and Capital. Such meetings as the one just held in Pittsburg, Pa., between the national executive board of our organization and representatives of a large number of coal-mining and shipping companies, to discuss their proper relationship, aiming to decide upon what should be a fair price for coal in the market and a fair price for the labor engaged in its production, all trying to be controlled by the great principle of reason, which is arbitration. Without reason there is no arbitration, and arbitration means a stop

to those prolonged and ruinous struggles between employers and employés, a shaking of hands across the bloody chasm. Arbitration proper is the missing link between Capital and Labor. With that principle firmly established we may hope for a more satisfactory and equitable division of the profits arising from industrial enterprises; certainly a sort of industrial partnership would be one of the leading results of its acceptance. All those much-hoped-for beauties are embodied in arbitration, providing the same is understood and accepted in its fullest significance: the employés determining that in the shop not one nut, bolt, or nail, or scrap of iron, shall be wasted that we can save; the miner in the mines determining that not one cent's worth of the supplies furnished or material used shall be wasted; even the farm laborer being ever watchful of his employer's property, and not allowing one ear of corn to go to waste; the employers agreeing, on the other hand, that in proportion to the percentage realized on their investments the wages and comforts of their employés shall be increased. Arbitration means education, and education means a proper maintenance of nothing but just principles. Both mean humanity. Education, arbitration, and humanity is what we expect embodied in the arbitration of trouble, etc., between Capital and Labor. It is coming fast, and nothing short of it will do. Reading-rooms, literary societies, and debating-schools are being established in connection with our labor organizations, and surely this is a hopeful sign. There is a gleam in the gloom. 'There is a light in the sky.' Let it come!"

FRED WOODROW, "*The Samaritan of Labor.*"

"1. Strikes and lock-outs are methods of modern protest and protection. Reasonable or unreasonable, they are the initial steps to conciliation or conflict. They indicate

a suspension of business relationships on the ground of a grievance, and are mostly temporary—sometimes necessary, and generally hurtful. If there is value in time and no cessation in the daily need of bread and butter, then the loss of either or of both is at its best but a parenthesis of calamity. The wage system is not of necessity the root of the matter, though a misconception of its conditions and a forgetfulness of its necessary fluctuations, and the blind lack of conciliatory methods in its adjustments, are the virus of the poison, and until these causes are removed and the statesmanship of industry equal to its duties, the strike and the lock-out are inevitable. The system of wages is as just and necessary as the cash payment of a grocer's or a butcher's bill—the dollars that represent the market value of food, or a week's work, each subject to increase or decrease, as the mercury in a barometer will rise or fall with a scorch from the south or a blizzard from the north. So in all financial agreements the circle of values may vary from the girth of a wagon-wheel to the rim of a dime, and in the abuse of this fact—ignorance on the one side and selfishness on the other—germinates injustice, ill-feeling, and industrial anarchy. The combinations and contracts that figure for one side and sacrifice the other—the bricks made without straw for monopoly Pharaohs—the grinding of the wheel that hums with grain one way and with chaff on the other—these things are among the criminal causes of strikes and lock-outs.

“Again, on the reverse side, the professional agitator, the slick demagogue, the two-legged dogs that bark over bones when the meat of the same is inside their ribs—these are not without guilt in the manufacture of discontent and antagonisms. I speak only of the insincere and selfish, for the pure-minded and enlightened agitator is as noble a figure in industrial life as was Luther in the Refor-

mation and Gladstone in political enfranchisement—to despise or ostracize such men is to butt one's brains against Divine granite. The wrongs of labor, God knows, have been many, and its blind methods of protest not always wise; but think of it, O man, and see it in its tragedy of want and rags, with bare ribs and broken spirit, and wonder, if you can, at its retaliation and sullen conspiracies. Accepting things as they are, and taking into account class distrust—business greed and general ignorance—the strike and the lock-out are in keeping with the conditions.

“2. It is in all matters of dispute, as being the only judicial method yet suggested. In this principle is unified the interests of both parties, and to my mind is a doctrine in the gospel of industry worthy of being the eleventh commandment. It recognizes no class, hate, or ostracism. It assumes and acts on the idea that on the floor of justice the hobnail boot and the golden slipper are on a common level, and is a phase of the evolution which by education, liberty, and the higher ambitions produces scholars and thinkers at the forge and the work-bench—a new strata in civilization, under which the slave and his master will yet be but a dead bone and a fossil. It brings reason to the adjustment of difficulties where our grandfather brought a firebrand and a brickbat, and to-day there is no question, even in national politics, so vital in its import or so grand in its issues as this self-same idea of arbitration. It is at the causes of strikes and lock-outs as an axe at the root of a tree, and a knife at a cancer. Of its adoption there is no doubt, though its details and methods may be matters of experience and time. It has its enemies, as had the act of emancipation. It hurts the business prospects of the demagogue and takes away the tin horn with which he called his hounds and hunted the game, and it removes the last rivet in the armor of feudalism, by which the pride

of a Plantagenet keeps the 'common herd' of mankind in distance and disdain. The plaster covers the sore.

"3 and 4. The answer to these questions must be largely predictive—the accomplishment of what is implied belonging to an evolution of industrial conditions not yet matured. That they suggest what is not only possible, but, as events are trending, very probable, is apparent to the student of economics and the thinker who reads the 'writing on the wall.' I confess to an established conviction of its outcome. During the time in which I was in daily contact with all degrees and kinds of poverty and misfortune, and was a representative of one who largely and wisely endeavored to allay it, I could but see that what was in truth the fruition of benevolence—beautiful, good, and rare—it was nevertheless but the predicate of some system in which the need of such charities would be obviated.

"Philanthropy with all its goodness and self-denial was but putting new shingles on an old house. The want that came of misfortune—the wolf at the door of him whose fingers were crooked and back bent with years of unremitting toil—were facts not to be explained with a homily on charity, nor satisfactorily accounted for by the gift of a ticket for soup or an order for coal. There must be something wrong with the bucket that is ever at the pump but holds no water. It seems to me that the one germ of vitality in what is called 'socialism' is its recognition of the claims of labor to such copartnership or compensation by which the need of a poor-house in old age and a Samaritan's shilling in misfortune is unknown. The extremes and extravagances of socialism have vetoed the grain of justice that lies in the peck of chaff; nevertheless, the forefoot of progress is on the line of a radical change in many of our traditional customs, reverent with age and

enviored with history, but as the greatest discoveries are made in detail, inch by inch, and ounce by ounce, so industrial progress into copartnership will be as natural as the growth of an apple or the hatching of an egg. In other divisions of life, fusion is a formative fact. The arts that made a palace exclusive are on the walls of our cottages; the literature that kept knowledge on a ducal shelf or under a silk hat, is cheaper than coal. Macaulay graces a dinner-can, Huxley a tool-chest, and the harmonies of Handel and Mozart are heard where pork and beans are the daily fare; tastes are formed and ideas evoked that make the peasant of to-day richer by far than the Tudors of the past, and as part of this levelling programme—the division of profits in industrial enterprise, the pendulum is swinging to the hour.

“ 5. The principle of co-operation, so far as applied and honestly carried out, is sound and wholesome. Mutual interest and mutual trust are its basis. It cannot exclude all the evils of trade now existing, but it can save the poultry if it fails to kill the fox. I have seen failures in its enterprises, owing to dishonest officers, want of business tact, and the same class of vices that make fat rogues and lean victims. The right and justice of any enterprise cannot insure the prudence and care necessary to market the eggs without breaking them. Co-operation as advocated by Holyoake and carried on in England is a success. Here the spirit of bossism and the haste to be rich are antagonistic to its development. The capital I in American life is the leading letter in the alphabet. The humble residue submit and follow. Selfishness in all its possible ramifications is the curse and vice of the nation. If ever it sinks, the millstone of avarice will be on its neck. Co-operation in these antagonizing conditions is at a disadvantage, and has a long ladder to climb to reach the apple. Its princi-

ple is beneficent, equable, reduces the causes of discontent, gives industry additional dignity, and is in its own line of operation a near though partial solution of the problem of civilization.”

ETHELBERT STEWART, *Decatur, Ill.*

“I cannot say that my views are representative of the working-men as a class; yet so commendable is your purpose of giving your readers a symposium upon the industrial question, in which shall be represented the latest phases of thought from all points of view, that I willingly contribute my mite towards the solution of the questions you propound.

“1. Under a competitive wage system the iron law of wages is that they tend towards and eventually reach the lowest point of possible subsistence. The operation of this law will be fought at every inch. While it is true labor gains nothing by strikes; while it is true men need not strike—perhaps ought not to strike—it is just as true that they will strike. It is an inherent feature of the competitive wage system that in times of depression men with small families will work for less than men with large families, thereby displacing them. Single men displace married men, children displace men and women, and Italians, Huns, Poles, and Chinese, who, through long centuries of oppression, have learned to live on almost nothing, at last displace even the children. Under the wage system employers will hire their labor where they can get it cheapest. Reductions in wages will result in strikes; demands for increase in wages will result in lock-outs. Imported laborers and militia to guard them will follow. There is no use to say these things are immoral and wrong. When cents and sentiment clash in the American mind you can depend upon cents as the victor. We have to deal with human

nature as it is, not as it ought to be. While self-preservation continues to be the first law of nature, strikes and lock-outs will be necessary features of the wage system.

“2. No. Arbitration will do as a pain-killer. It offers relief from the agonies of strikes and lock-outs for a time. I am strongly in favor of a compulsory arbitration law that shall render strikes impossible, but I am not willing to concede that arbitration is so much as to deserve the name of the ‘missing coupling between Capital and Labor.’ It is an excellent poultice for a boil, but it has no properties about it to purify the blood. While there is anything to arbitrate the question is not settled. It will merely shift the battle-ground from strikes to an endless war of words, arguments, and quarrels. To be efficient there must be courts of arbitration established with power to enforce their verdicts. In time these courts will be bribed and bought up like our more pretentious ones. Laborers will accuse their own representatives of ‘selling out;’ and as force is the court of final appeal in all cases, the ultimate result would be strikes against the terms of the arbitration. I am strongly in favor of arbitration as a bridge over the red sea of labor troubles, and think that by bringing employer and employed together on an equal footing it will hasten us to the promised land. As a finality, as a solution of the problem, it is deceptive. Peace has nothing to arbitrate. What we want is not arbitration, but unison of purpose and perfect peace between the two factors of production—Capital and Labor. Peace, but not the peace of slavery.

“3. To say no would be to insult the human intellect that has accomplished so much. We have annihilated time and space by means of mechanisms propelled by steam and lightning; we have invented machinery producing so much that the markets of the world are glutted with its ‘over-production’—and shall we sit down in despair, with three-

fifths of the race in hunger and rags, because we have so much food, so many products of labor, that we know not how to distribute them so that we may eat and wear? If half the intellect that has been employed to concentrate ninety-seven per cent. of the wealth of our cities into the hands of three per cent. of their population, and to reduce wages to the European basis, had been exercised in discovering an equitable basis for the distribution of the profits of industrial enterprises, it would long ago have been discovered. If the cute, deep, scheming brains that have enacted laws that so successfully operate to make the rich richer and the poor poorer, had been used to pass laws providing for the just distribution of the products of labor, they would have been fully as successful. Common-sense suggests a just and equitable basis for the division of profits. The difficulty lies in discovering men who will divide upon any basis.

"4. Industrial partnership is a hybrid form of co-operation, and is certainly a move in the right direction. Last year Lorillard & Co., of New York, distributed \$16,500 among their employés as the surplus profits above what they felt disposed to reserve for themselves. The distribution was made in proportion to the average earnings of each employé for the year. Doubtless this sum represented but a small per cent. of the real profits of their business, but as it amounted to over one hundred dollars per employé, I think it would be a difficult matter to work up a strike among them. Industrial partnership gives labor a pecuniary interest in the profits of industry pro rata with its own wages. Wherever tried it has proven successful. Cases are reported where two men moved their benches near together, so that both could work by one light to save the expense of one gas-jet. It induces men to economize material, stops the outrageous waste so painfully apparent in

all our factories; 'killing time,' 'dodging the boss,' ceases to be the aim of life, and the employé becomes as nervous over wasted time and material as does the 'boss.' A few months ago the I. D. & S. railroad managers began paying premiums to section foremen who kept their sections of track in the best condition. The road-bed suddenly became one of the best. Last year the Wabash began offering premiums for best sections of track. Several years ago Messrs. Hazard & Hazard, of Peacedale, R. I., issued a circular to their employés stating that the next year all profits accruing above the average profits of the five preceding years would be divided among them pro rata to the wages paid. The first year the profits of the firm did not exceed the average profits of the preceding five years, and no division was made. The next year \$5,824.40 was divided among the employés, amounting to five per cent. of the gross wages paid. The next year a similar per cent. was paid. Last year only three per cent. of the gross earnings was paid, but this amounted to \$3,760.14. This profit-sharing has been practised successfully in England, and especially in France, where, established at Guise with M. Godin, an early disciple of Fourier, at its head, it is an illustration of what men can do if they will. But some definite basis must be had for profit-sharing. So far as tried heretofore in this country, individual employers have divided so much as they pleased of the profits of their business among their workmen. The basis must not be left to the whim of the capitalist. Capitalists, when left to keep or give what they please, keep all; that, at least, will be the result in America, where the greed of gain has grown so great that even American religion has turned from the worship of the 'God of our fathers' to that of the 'dollar of our dads.' A scientific basis for profit-sharing may be obtained by an accurate analysis of the elements of pro-

duction. The Ohio bureau of labor statistics shows that in the flouring industry the net profits accruing to capital exceed by four times the amount of wages paid. By the Illinois report of the bureau of labor statistics for 1884, the profits in this industry are a trifle less than the wages paid. The truth probably lies somewhere between the showings of the Illinois and Ohio bureaus. By the Massachusetts report the average product per employé is \$1792, in Illinois \$3168 — yet in Massachusetts the average net profit to the employer upon each employé is ninety-eight dollars per year, while in Illinois it is but seventy-six dollars. This results from the fact that raw material is 72.24 per cent. of the product in Illinois, while in Massachusetts it is 61.32 per cent. Wages are higher also in Illinois, the average being \$430 for Illinois and \$364 for Massachusetts. I am speaking only of manufacturing industries. This net profit per employé represents the sum left after deducting interest on capital invested, and ten per cent. of product for running expenses, which estimate is, in my opinion, entirely too high. A mutual participation in these profits by all concerned would, when established upon a definite and thoroughly understood basis, forever settle the labor question. It would also settle the 'over-production' question, as the millions thus added to the purchasing power of the masses would be used to increase their comforts, and the increased market facilities would make the change to a profit-sharing industry a profitable one for Capital as well as Labor.

"5. Yes. The same degree of intelligence applied to co-operation that has been applied to the individual system would make it a universal success. Heretofore it has been attempted by black-listed strikers who had been trained under a wage system to look upon all men as rascals, and to believe no honest man can make a living. The attempts

that have failed have been made by associations of working-men without business training, and suspicious of each other from the start. Co-operation has built some of the most extensive industries of England. Rochdale, Manchester, and many other establishments, not only own their own works but their own transportation ships, and have established a trade with nearly all parts of the earth. The Familistère, at Guise, in France, is co-operative, pure and simple. It would be an insult to American intelligence to say it cannot make co-operation successful. It has not proven a success, only because the business intelligence of the country has never tried it. It will succeed when working-men cease to consider everybody thieves and blacklegs, watching for a chance to get a good hand and go into bankruptcy; and they will cease to believe this when the evidence of its truth becomes less apparent. It will succeed when men of business training become interested in it and make it succeed. At Nashua, New Hampshire, the iron moulders established a foundry four years ago, with a capital of \$4000. They now have a capital of \$16,000, pay themselves customary wages, and have a dividend of ten per cent. a year for distribution. There is only one intemperate man among them, and he is 'bracing up.' At Peoria the Knights of Labor have established a co-operative coal-mining company, to employ black-listed striking Knights of Labor miners. It is a success. Here in Decatur we have a Carpenters' Co-operative Association, with a capital of \$5000. It is engaged in house-building, and has a cabinet-shop here. It is in a flourishing condition.* The business of co-opera-

* Dr. Albert Shaw, of the *Minneapolis (Minn.) Tribune*, in a recent letter to Prof. Richard T. Ely said, "When I state that the flour-mills of this city far surpass those of any other milling point in the world, and that they have a daily capacity of thirty thousand barrels of flour, you will perceive the necessity for coopers. Not far

tive associations must be managed by men of business. In January some of the striking nailers of Pittsburg formed a co-operative association with some of the business men, iron-dealers of Pittsburg. If the business men are allowed to manage the business, and are honest, the venture will succeed. Combinations of capitalistic corporations is but the co-operation of capital for its own good. This has been made a lamentable success. Co-operative capital now issues its annual price-lists for every commodity we make, and orders Congress to enact a law that shall settle the price of commodities we do not make. Every firm of Brown, Jones, Smith & Co. shows what co-operation in capital can do. It only requires the same intelligence directed towards making a co-operation between Capital and Labor a success, and it will be so. All our intelligence has been used to get the greatest amount of labor for the least money, to piling up fortunes for ourselves—getting ahead of somebody in a legal way—hence our civilization is a pyramid built upon crushed out human lives. On the other hand, Labor has sought to be even with Capital by doing as

from half the flour is shipped in barrels (the other half in sacks). There are some seven hundred coopers at work on flour barrels. About two hundred and fifty of these are 'journeymen,' working for 'boss' coopers in three different shops. The remaining four hundred and fifty (more or less) are grouped in seven co-operative shops, which they own and manage themselves. The system is indigenous. It has been developed by laboring men without any patronage or preaching or persuasive literature. It began a dozen years ago in the feeblest way, without friends or capital, and in the face of suspicion and distrust. It has won its way until two-thirds of the coopers have gone into co-operative movements. It has secured such State laws as it required, and it has credit and standing. Its moral effects are more marked and gratifying than its financial and industrial success. It develops manhood, responsibility, self-direction, and independence."

little as possible in the longest possible time—hating its employers with a hatred that one must have felt to realize. And it is only the certainty with which a poor man is hanged for killing a rich one that deters individual assassinations hourly. I see by the papers that Jay Gould will not open a letter addressed to him for fear of dynamite, or some such stuff. He makes his Italian clerk, Morosini, open them first, and Morosini has a fifteen-year-old boy hired to open the suspicious-looking ones. Looking at it from all sides, I think capitalists will consult their own interests by abandoning the competitive wage system and adopting either a profit-sharing system or co-operation pure and simple. The majority of employers are loved by their employes no better than Jay Gould is loved by the people of the United States.

“Some day philosophy, no doubt,
A better world will bring about;
Till then the world a little longer
Must blunder on through love and hunger.”

JOHN JARRETT, Esq., *Secretary of the American Tinned Plate Association, and recently President of the Amalgamated Association of Iron and Steel Workers.*

“I have watched with much interest your course in dealing with the labor problem. I believe it to be in the right direction, as it is educational, progressive, and practical. My views are generally pretty well known and understood, and I have but little of a practical character that is new to offer in reply to your questions. I will therefore but briefly reply to them.

“1. I do not consider strikes and lock-outs necessary features of the wage system. The causes of these evils are complicated and abstruse. One of these causes is perhaps the abuses of the wage system, but I can hardly conceive how that the system itself can be held accountable

for strikes and lock-outs. Workmen everywhere profess that what they desire is the realization of a 'fair day's wages for a fair day's work,' and this in turn implies a just and equitable wage system, and perfect harmony between employers and employed. Is such a wage system possible under existing conditions? I do not believe it is. We must first have a higher moral sense of each other's welfare than we now have. Selfishness, avariciousness, intemperance, and extravagance must be supplanted by love, virtue, and justice. Education is another great essential. Again, as educated and civilized man, and all societary organisms, are artificial elements, so-called natural laws must give way to artificial laws in the government of all economic and industrial conditions. FREE competition must be displaced by FAIR competition, and individual rights must be considered in the light of the general good. The word FREE, with advanced civilization, can under any circumstances be used in its absolute sense, for the more perfect our civilization and association the more dependent we become upon each other. For these reasons it will always be necessary that combinations (organizations) should be encouraged among both employers and employés, not for the purpose of antagonizing each other, but for co-operating and working in complete harmony with each other. It needs no argument to prove the necessity of organizations of this character, as the highest order of civilization demands them; as, for instance, who would think of evangelizing the world and winning it to Christ without organizing churches. Combinations among the employers of labor should protect the trade against cutting prices or selling products below actual cost, for no person has a right to sell at a loss, as such an act would be unjust and detrimental to every other producer, and consequently to the general good. These combinations should so regu-

late prices as to insure them the ability to pay reasonable wages. Workmen should also be organized for protection, self-improvement, and advancement. No person should be allowed to work at such wages as would not insure reasonable living—the standard of wages should be in accordance with the conditions surrounding the industries, and should be equalized as near as is consistent in all sections of the country. I know of no better remedy in the adjustment of all differences that may arise between employers and employes than arbitration and conciliation.

“Profit-sharing, based upon industrial copartnership, seems to furnish an excellent means of uniting the interests of employer and employé. This system, where adopted and faithfully carried out, has generally succeeded in accomplishing its purposes. It is certainly growing in favor. I would not advocate profit-sharing unless it is based on industrial partnership. I would not have the workmen purchase shares in the stock of the company by which they are employed. All improvements in machinery, special tools, etc., and the benefits accruing therefrom, would then be shared in by the workmen as stockholders and capitalists. This accomplished, productive co-operation in its highest form would become practicable, and the labor problem would be solved. For several years I have based all my arguments in discussing the labor problem upon the teachings of Christ. I know of nothing more beautiful than the words ‘Love thy neighbor as thyself,’ and ‘Do unto others as you would have others do unto you.’ These simple truths include in themselves every essential principle necessary to the solution of the labor problem. Employers and employes must not only learn to know these principles but practice them also. The strong and wealthy must set the example of love and justice before others. We should seek to improve ourselves and serve mankind, and

thus make the best use of life and its choicest blessings. Workmen must stand up against the evil of intemperance; it is a monster destroyer, not only robbing them of manhood and honor, but also of the very means of earning an honest living. The manufacture of intoxicating liquor represents but very little productive labor, and its consumption does nothing but clog the wheels of commerce and progress. Remove the curse of drink, and the workman, and indeed all our people, are raised to the higher plane, in the which all people become thinkers and workers. The sequel is clear."

C. S. BYRKIT, Esq., *Des Moines, Ia.*

"How best to solve the problem of Capital and Labor equitable to the interests of both is no longer a local question, but of a national importance and world-wide discussion.

"The age when Capital was crowned king, and Labor universally proclaimed his inherent vassal, is rapidly passing away. Free thought, free press, and the free-school system—splendid monuments to the wisdom of constitutional provisions guaranteed by a liberal republic to a progressive and intelligent constituency—have got in their work. The gray dawn, whose misty veil long marked the coming of this golden era, has melted into a glorious day, and the representative of Labor stands up to-day the acknowledged brother of Capital, and claims a hearing.

"True, these great achievements have not been wrought without a struggle, and the path of progress from heart-breaking poverty and want up to emancipation and recognition has been marked by weary strikes and lock-outs; it has been strewn with the ashes of destruction, wet with the blood of victims, and fraught with unrecorded deeds of heroism and sacrifice. When the iron hand of oppression

seemed to settle upon the laborer, and ten hours' faithful toil failed to produce at the company's store a sufficiency of bread for the wife and wards; when the fire on the hearth had perished as his hopes, and his protest at the office had resulted in filling his place at the forge by another unit from the army of the unemployed, whom the pangs of hunger and needs of a destitute family had made more desperate than himself, what wonder he saw little difference in theory, in the attainments of results, by the application of the torch, or the destruction of others' property in Boston bay, at the birth of the republic—a story so long justified and cherished as a sacred legend of our country because it was successful.

“But Capital schooled in the vicissitudes of business is never slow to recognize the inevitable, and the force that once held ignorance in surveillance for private gain, recognizing the failure to coerce with the musket and Gatling the men who not only forged them, but scored on many a well-won field in other days a historic record in their manipulation, now joins voices in calling for a solution of this vexed question.

“One of the grandest mile-stones that marks this exodus from bondage up to recognition by the press and people, was the organization of Labor under that beautiful metaphor that ‘the injury of one is the concern of all,’ and the commencement of the study of the condition of Labor and its relation to Capital intelligently. The instigator of strikes was given the advantage of a ‘hired hall,’ new thoughts were suggested to thinkers, a free exchange of opinion soon schooled the brighter class of working-men away from the torch and bludgeon theory, and a clear understanding enabled them to present their case in an unanswerable and logical way; there became thinkers at the trades—the moulders of molten metal by day became moulders of men's minds by

night. A new era had set in, and the weaver, as he mechanically watched by his warp and woof, worked out a new fabric in the web of the loom of life; and the little band of 'communists,' so called, has grown and overshadowed the land, and its representatives but lately met in arbitration the foremost representatives of the wealth of our nation.

"If such grand achievements are the result of council and calm reason to the one, why not successful to both? There is no good reason why the corporation and the union should be antagonized. One cannot exist without the other, both have rights that the experience of the past has taught each other to respect; there are no differences which reason cannot remove, so the sooner alleged grievances are talked over, and the question logically stated before a fair and competent board of arbitrators, the better. True, it may be the decisions of such a board cannot be constitutionally enforced, but their published opinions, based upon evidence in the case, would go far towards moulding public opinion in the matter. The typical American tradesman is a shrewd business fellow; so long as the mediator leaves him margin he will not 'shut down,' but will court custom and patronage by cheerful acquisition.

"The typical American customer wants to buy his goods cheap, but the tenacity with which he has so long indorsed a tariff policy demonstrates his friendship to the interests of Labor, and that the willing worker shall not want.

"The American laborer is not a selfish man, he only wants that part of the world the just fruits of his labor, but he does want it 'fenced.' He cannot see Betsey and babies trudge along the road of life that the wife of Dives may drive in dignity, not while he is one of the two pen-dants on the scales of justice. Let us try arbitration."

"A WORKING-MAN" residing in Connecticut.

"Where do I stand to look at this alleged 'irrepressible conflict' between Labor and Capital? I was born about Christmas-time, 1830. My father was a poor mechanic. At nine years of age I went from home and began to earn my own living. Long stories have been told of men who started in life with all their worldly goods tied up in a bandanna handkerchief, and became rich. I have remained poor, and for my part in the bandanna racket I can say that in all these forty-six years, since a nine-year-old 'kid' I began to work for a living, all the worldly goods which have come into my possession which I have not bought and paid for through the labor of my hands or head could be easily done up in a child's size bandanna. Did my 'hands become callous from toil?' Yes, before I reached my teens, and I have kept them so ever since. Then I am a working-man? What do I say in reply to the questions? Of course I ought to take sides with the working-men. I do.

"1. Are strikes and lock-outs a necessary feature of the wage system? Yes, and will be just as long as human nature is so constituted as to prompt men to bite off their own noses to spite somebody else.

"2. No; there is no coupling missing. Mutual interest is the coupling. Reiteration of the false charge that such interest is incompatible with the wage system causes the trouble.

"3. No; it must remain a matter of contract between employer and employed, in which employers must be the judges of what they can afford to pay, and laborers may decide whether to accept the wages offered.

"4. No; because Labor is not ready to take its share of the risk and responsibility, and bear its share of the losses; and judging from the way it (Labor) acts, it would be hard

to convince it that it was getting its share, no matter what it did get.

"5. Yes, certainly. Why not? Who can say a word against it? Won't half a million of dollars, put into any business in which that is a sufficient capital, be just as good if it is owned by one hundred or five hundred working-men as though it belonged to some single capitalist or a dozen of them? Certainly. There is no law against it. Labor may break loose from the bondage and ills from which it suffers at any time. Just put in its capital. ('Capital!' That's the very thing which oppresses Labor!) It's necessary, though, and of course it will be different when every man has a share, all working-men. It's got to be managed! Yes, and some of your contributors think that among working-men there has been insufficient business training, and that efficient business managers can't be selected from the ranks. They never made a greater mistake. But will the best men be selected to manage? If they are, will they be permitted to manage without dictation and annoyance from men who, only fitted by nature and education for the most menial service, when elevated to the dignity of capitalist (!) think their 'right to have their say is just as good as anybody's?' In co-operation the greatest difficulty lies in the fact that there are so many to be pleased or displeased with business management who know nothing about business, and many of them can't learn.

"Still there is great hope in this direction. In every successful business enterprise established and managed by working-men, pure and simple—not managed as some contributors try to make it appear is necessary, by ability hired from the capitalists' side—there will be great good accomplished in the cultivation of a higher standard of self-respect, and of such virtues as economy, self-denial, forbearance, and an insight will be gained of the trials and risks,

the fears and forebodings, contingencies and losses which are part and parcel of carrying on business for one's self, and which the average wage-earner knows little of. Most of all there is wanted enlightenment on the labor question. The establishment of co-operative enterprises by Labor will give more than 'side-lights.' It will be light on the subject from front and rear, and through skylights as well as from the sides. There will be failures, but there will be successes too, and through both there will be increase of knowledge. Success will bring contentment and happiness to some. So will failure. Many a business man, after years of struggling against reverses (to finally fail) has settled down to such day wages as he could get, and says 'he never took so much comfort, never was so happy before in his life.'

"Certainly, brother working-men. Start in for yourselves. Have a business of your own; you have a right to do so. You will have a right to manage it. Too many of you are now trying to manage the business of others. You have no right to do that. Anybody who is willing to make the investment, take the risk, bear the burdens of care and anxiety and losses attendant upon doing business, has the right; but the right to look on idly, so far as investment and risk, or sharing in losses are concerned, and still demand a share of the profits, is questionable.

"'Industrial partnership,' as interpreted, carries with it too many unreasonable propositions. If full wages be paid, how can the employer after that divide with his employés? If less than full wages be paid, thereby creating a fund for division, how are the employés better off in consequence? If full wages be paid and a bonus added, does it practically mean anything else than increase in wages? and does that not mean increase in cost of production? If it be true that Labor is so dishonest, so short-sighted, so blind in

its attacks upon Capital, that to get an honest day's work and prevent wholesale destruction of tools and material and property of all descriptions it is necessary to have a change of system, does it not seem that more light is needed to show that there is no natural breach, instead of teachings which cause a breach and tend to widen it?

"In days gone by we have read much stuff about the 'noble red man' which illy fitted the character of the blood-thirsty, cowardly, sneaking assassin who, sparing neither women nor children, faced no foe if he could possibly stab him in the back or decoy him to some well-laid ambush. In these days we are hearing much about the 'dignity of labor,' about 'God-given rights,' etc. Why not drop this humbug about 'dignity of labor' and try to cultivate more of the dignity of true manhood? And of the 'God-given rights' about which so much loud prating is done, why would it not be as well for each to give the other as much as he claims for himself? and just now should not a halt be called to see what that means? Noble working-men. Yes. Yes. By the million. Some of them poor, living from hand to mouth, some because that is the best they can do, some because they would do nothing else no matter what wages they had. Others who are rich, independent, and still are toiling daily with their hands for more, and still others who, coming to the front with strike and boycott, bludgeon, dynamite, and torch, are continually ringing the changes on a demand upon Capital to 'divide,' and wish to be considered 'the most noble of them all.'"

J. H. BURTT, Esq., of Wheeling, West Va., an Officer in one of the Leading Labor Organizations.

"1. Strikes and lock-outs will continue so long as the wage system exists, and are really a necessity. They will remain so until some arrangement can be fixed that will

permanently settle the value of the article that has used the money of the capitalist and the labor of the workman in its production. The gold dollar has a fixed value in law. All men are required to honor it at its weight. No power can change it (except the power that made it), hence all values revolve around it, regulated by a so-called law of supply and demand. Let the changes be what they may in all else it can never affect the unit of value. Capital is invested for profit, and labor is invested for wages, and so long as the product is controlled by this same so-called law, just so long will there be a conflict between dividends and wages.

"2. Arbitration is not the missing coupling, it is a temporary expediency; does not and cannot settle a difference between employer and employé. The coming coupling must contain within itself the authority to determine forever a settlement. Arbitration simply arranges in accordance to the state of the market, containing no power to bind either; for upon the first fluctuation, over which it or they have no control, the side affected most is certain to make a new demand.

"The basis referred to in No. 3 is not a matter of discovery nor a question of industrial partnerships, as in No. 4, if only those engaged at a particular plant are to be benefited; or of productive co-operation, if the number of dollars invested is to receive the profit in the shape of dividends. The relief will come through the discipline of trade-unionism, and will be developed as a method of self-defence. Trades-unions now know that they cannot maintain a fixed market price of their product. Employers cause these changes through competition for trade, and try to save a fixed profit to themselves by enforcing reductions in wages to make up the loss. Unions are now striving and searching for a system of resistance that will secure permanently

a fixed rate of wages, and force the loss by fluctuations upon profits. These reductions are now met by unions with a perfected plan of assessments, by which large amounts of money are secured from the working membership and paid to those who are engaged in a strike. The sums annually collected for this purpose often exceed more than enough to purchase or build or put in operation one or more plants, and at the close of the contest this money is regarded as a necessary loss. Our educational advantages are making all workmen readers and thinkers, thereby rendering them less susceptible to the controlling influences of Capital, and at the same time giving them the intelligence to understand that this waste must be prevented. It is also teaching them to take the next step and submit to an assessment to be used as a weapon of self-defence. This assessment will be used in the establishment of plants under the management of the national unions, through executive officers chosen in the same way that their officers are chosen. These plants will be used as safety-valves. The union standard of wages will always be paid, profits shall be sacrificed to quality, and the selling price of the product shall be that of the competitor who offers his product at the lowest figure, rising and falling at his pleasure, with quality always in its favor. The profits, if any, will be covered into the treasury of the national unions, to be used together with such assessments as are required to put at work at once the workmen of any individual concern who may feel justified in trying to enforce a reduction, to build a new plant and deprive them of their workmen forever, thus relieving the men from a period of idleness, and get a return for the money spent in their maintenance, and establish another valve through which the fluctuations shall escape without affecting the rate of wages.*

* Grand Master Workman Powderly, of the Knights of Labor, in

“Thus a counterbalance will be furnished, and as soon as the system shall be perfected and executed, just so soon will strikes and lock-outs cease in all industrial enterprises, or else the trades-unions will absorb the whole business, obtaining relief here. These same unions will then move as a whole for the protection of the employés of corporations that cannot be reached in this way. These receive certain privileges in law for public service rendered, and we find that they pay the lowest possible figure to those they employ, and demand the highest rate for a service performed. They derive these and all other privileges they enjoy from the State, and if it should appear that they take advantage of its citizens, the State can and will amend these charters by fixing fees which they shall pay for each service performed. As it is, it is only necessary for them to make a few more extortionate demands upon their employés, to be resisted in turn by riots and dynamite, and an outraged people will come to the relief of these unfortunates under the direction of disciplined trades-unions.”

his last annual address says: “I have seen co-operative ventures fail because of a lack of business qualifications, and nothing can remove the idea that the persons having the matter in charge were dishonest. Working-men are not business men by any means; and so long as we continue the question of getting a few cents more in the day for labor done, and neglect to look after the matter of investing the money we do get to the best advantage, and in a way that will bring back the best results and largest returns, we will continue to be ignorant of the laws by which business is governed.”

CHAPTER VI.

A SYMPOSIUM ON SEVERAL PHASES OF THE LABOR QUESTION—*Continued.*

VIEWS OF DIVINES.

Rev. R. HEBER NEWTON, D.D., New York City.

“YOUR questions are very big ones. Rightly to answer them would involve an essay. I suppose all you desire is a concise summary of opinion. This I beg to offer you as follows:

“1. Abstractly, I should say, No. Ultimately, I certainly believe they will be found needless. Practically, and for the present, I do not see how they are to be avoided. So long as Capital and Labor seem to stand in their present antagonistic attitude, so long there will be a disposition on either side to resort to the lock-out and the strike. It is largely a question of feeling. Given a kindly and trustful feeling on both sides, and of course there would be no need of a resort to either the lock-out or the strike; but given the feeling that exists too largely to-day on either side, of selfishness, of irritation, of suspicion, of prejudice, and both lock-outs and strikes are likely to result.

“2. I think it is, as far as lock-outs and strikes are concerned. Wherever the feeling on both sides is sufficiently amicable and cordial to induce a calm consideration of the whole state of the case, and to trust to the judgment of chosen representatives, there the lock-out and strike will be needless. Arbitration is proving in the economic strife what it is in the political strife. The fact that nations are

now ready, under the force of public opinion and by the very burden which war imposes, to pause a moment before committing themselves to actual conflict and talk the matter over, is itself a preventive of war in many instances. It gives time for passion to cool and judgment and conscience to assert themselves. Arbitration is proving to be the missing coupling between Capital and Labor in England and in France—very notably in the latter case in the semi-legal courts, known as the *conseils des prud'hommes*.*

"3. It is most devoutly to be hoped we may. That the present division is not equitable, needs scarcely any argument to prove. If society is to advance, and the mass of men to be lifted higher, a more just division of profits must be found. Nay, even if we are to avoid bloody revolution and anarchy, such a reform must accomplish itself in some way.

* These councils are judicial tribunals, constituted under authority of the Minister of Commerce, through the Chambers of Commerce, which are established at important trade centres of that country. They are composed of an equal number of employer and workmen members, each class electing its own representatives, with a president and vice-president named by the government. The authority of these councils extends to every conceivable question that can arise in the workshop, not only between the workman and his employer, but between the workman and his apprentice or his foreman. There is but one question they cannot settle—future rates of wages; but even this can be done by mutual agreement. Arbitration is compulsory upon the application of either, and the decisions of the court can be enforced the same as those of any other court of law. The workings of these courts have been beneficial to French industry, especially in conciliation, by which more than ninety per cent. of all cases before the tribunals are settled. In 1850, of 28,000 cases, 26,800 were settled by conciliation. There were in 1880, about one hundred and thirty-five councils in France. Out of every hundred cases brought before the Court of Conciliation, fifty-nine relate to wages, thirteen to dismissals, ten to misbehavior, five to disputes about apprenticeship, and thirteen to various other points.

"4. I think it does. The attempt to define and formulate abstractly a just division of profits between Capital and Labor is very difficult, if not indeed impossible. If we wait until we can establish theoretical and equitable distribution, we shall wait forever. Meanwhile, here, as everywhere else, the way forward lies in taking one step at a time—in putting in the thin edge of the wedge first—in establishing a principle and leaving it to work out laws and customs. Industrial partnership is a perfectly feasible arrangement. It merely asks of Capital a willingness to relinquish a small proportion of its present profits. It even promises to repay to Capital somewhat of its loss of profit, in the quickening of the enterprise, skill, and thrift, and loyalty of the labor which it identifies with Capital's own interest. It certainly promises to repay to Capital somewhat of the loss of profit by preventing the waste of the lock-out and strike. As Mr. Rowland Hazard, of Peacedale, R. I., wrote me, after an experiment in this direction, 'It pays in acting as a lightning-rod.' No specific proportion of profits need be insisted upon. This must be left to the judgment and conscience of individual employers. But if the custom once be established, the principle is laid down that Labor has a right to share proportionately with Capital in the profits of the industry. This principle once established will push itself forward, will grow its own developments, and the present wage system will climb into a higher system of itself.

"5. I scarcely know how to answer. It is not a question to be determined abstractly by theorists, but purely by experiments of practical men. My study of the various experiments in productive co-operation in this country, as embodied in the *Princeton Review*, did not encourage me very greatly as to the immediate practicability of this much-to-be-desired advance on the part of Labor. A success in this line demands a higher education on the part of the

working-man; more experience in working together than for the present is likely to be practicable; production only on a small scale, or, if on a larger scale, by hiring the generalship of brains in superintending the work.

Rev. HOWARD CROSBY, D.D., of New York City.

“ 1. Yes.

“ 2. I prefer co-operation.

“ 3. Co-operation.

“ 4. Yes.

“ 5. Yes. In small matters the workman has it all his own way. He charges the house-keeper who employs him what he pleases. It is in large manufactories, railroads, etc., where the workman is tyrannized over. There participation in the profits should be enforced by law, and no workman should be dismissed without cause (indorsed by a court), or, if dismissed without cause, he should have six months' wages paid him. Summary dismissal of hundreds when the percentage of profits falls a little is an outrage.”

Rev. CHARLES R. BAKER, D.D., Church of the Messiah, Brooklyn, N. Y.

“ I suppose that strikes and lock-outs are necessary features of the wage system so long as the organization of Labor is inferior to that of Capital. When the labor unions can bring all their strength to bear on Capital, so as fairly to match it in discipline and acuteness and skill in management, arbitration will prevail. Many capitalists with whom I am acquainted are as anxious as the laboring men for a just settlement of their difficulties. All that they want is a system which shall bear on all alike, so that no one competitor be allowed an advantage. I have some doubts of productive co-operation, though distributive has been such

a success. However, it ought to have a fair chance to make the experiment. If the laboring men, as a whole, gain a higher estimate of the worth of life and of the value of intellectual and other culture, as they seem to be doing at present, and make a general and persistent demand upon the community for a larger share of the earnings of the whole as the means of getting it, there can be no doubt as to the result. For the present the aim ought to be to strengthen the unions and extend them to all branches of labor; organize them into a central bureau, and bring their power to bear upon the legislatures to limit the enormous power of capital in the great corporations. An association like the Standard Oil Company is a disgrace to modern Christian civilization in the minds of many simple people."

Rev. SAMUEL J. NICOLLS, D.D., of the Second Presbyterian Church, St. Louis, Mo.

"The questions you ask are most radical in their character, and look to the solution of one of the most important subjects of the hour. The relations between Capital and Labor have a sad history in the past. On the one side we see monstrous tyranny and enormous wealth; on the other poverty and slavery. So long as time lasts we must have capital and labor, and it is the duty of the Christian philanthropist to seek the proper adjustment between them. Some progress has been made, and I think we are beginning to see what ought to be done, even if our vision is as yet imperfect.

"As to the first question, I am of the opinion that strikes and lock-outs are not necessary features of the wage-system; they are features incidental to the present condition of affairs. There are times, perhaps, when we may justify them, just as we justify revolutions in civil government,

but in the main they are blind and ill-advised attempts to remedy wrongs. Their history plainly shows that they are not profitable to those who engage in them. They produce more ill-will between Capital and Labor and loss of time than they secure good to either party. After careful inquiry, I have come to the conclusion that in nine cases out of ten they have been fermented by reckless and dissatisfied spirits.

“As to the second question, I believe that arbitration is, as yet, by far the best method of removing friction between Labor and Capital. It brings good sense and integrity instead of force to the settling of difficulties. We have found out that arbitration is better than war among the nations; why should it not be equally successful in settling contests between Capital and Labor?

“As to the third question, we certainly ought to be exacting some more satisfactory and equitable basis for the division of the profits arising from industry and enterprise. The more we come to understand the relations between man and man, and the law of truth and love that should prevail everywhere, the more will we be ready to condemn all grinding monopolies and oppressions. For myself, I believe that the faithful applications of the teachings of the Gospel to all the relations of life will lead to a fair distribution of the products of labor. Unrestrained greed will ever seek to oppress labor. Law at best can afford only a feeble protection against the encroachments of Capital. The desired protection must be secured by moral force.

“As to questions fourth and fifth, I believe very much can be done through co-operation, and I believe it is practicable in the United States. The history of co-operative partnership shows this beyond question. Certainly some basis can be devised by large-hearted business men which

will be equitable to both Capital and Labor, and at the same time prove an incentive to Labor by giving to it that honor which is its due. If working-men could be made to feel that they are personally interested in the prosperity of the enterprise in which they are working, they would naturally be more careful, laborious, and prudent. Both Capital and Labor would gain by such co-operation. The problem, however, is not one of easy solution. It will require much time and experience to work it out."

*Rev. J. H. RYLANCE, D.D., Rector of St. Mark's Church,
New York City.*

"Cannot the reason and conscience and skill of a community professing to be Christian, and boasting of its culture and strength, do something effectual for the more equal distribution of the enormous results of our productive industry? The United States census for 1870 gives \$400 as the annual average of workers' earnings, and in 1880 a little over \$300. Till something of that sort is achieved do not wonder if murmurings fill the air, that discontent is rife, that there is constant struggle between Capital and Labor, or that classes are jealous of each other and imbittered, spite of all the preaching going on about a universal brotherhood. But what can be done? It is easy to complain, occasions are plentiful in all communities.

"But what are the remedies for our social troubles? Why, certainly not violent insurrection against the old order of things, but a gradual and steady improvement of it, so approaching, if only by slight steps, to a Christian socialism, when passions and powers, now in antagonism, shall work harmoniously together and be fruitful in larger benefits for all. Why should we not follow an example which France long since set the world in such directions!

In 1806 the government of that country instituted the *conseils des prud'hommes* for the settlement of difficulties arising between employers and their employés, to prevent resorts being had to strikes or lock-outs, which waste so much wealth and inflict so much suffering, effectually hindering often a just understanding being reached by inaming the passions of both parties to the strife. Only such cases are handled as are voluntarily submitted to this board of Arbitration, the decisions being urged simply by moral suasion. Such success has followed their efforts, however, that of 28,000 disputes heard within a certain interval, 26,800 were adjusted amicably.

“Now this is surely a much wiser and more Christian method of settling such controversies than by violence and bloodshed, which we read of so often in our own newspapers. A much more effectual measure for reconciling the interests of Capital and Labor has been practically applied both in France and in England, as also in this country, by which the products of labor have been increased in quantity and improved in quality. I refer to what is called ‘industrial partnerships,’ working-men being given a fixed share of the profits of successful business operations, according to the value of the services they have rendered in securing the success. Working-men thus become interested in their work, need much less watching, and are more careful of the property intrusted to them, knowing that by diligence and fidelity to the employer’s interests they are thereby serving their own, while confidence and good temper and kindly feeling are maintained between classes of men too often at enmity with each other. Certain colliery proprietors in England adopted the principle to their material profit. The employers retained ten per cent. of the gains of their business, but these increased to sixteen per cent. under the new system, the surplus being divided

among the workmen, who improved also morally, learning self-respect, showing more love for their families, so husbanding their earnings, instead of spending them in drink and debauchery.

“Similar evidence of the practical value of the principle of industrial partnerships was supplied by the Crossleys, the well-known English carpet manufacturers, who converted their immense concern into a joint-stock company. They held out special inducements to their workmen to become share-holders, who, according to the last report I have seen, actually held \$500,000 worth of capital stock. Now these are hopeful examples, I take it, of a certain sort of Christian socialism which might easily be multiplied.

“But co-operation proper is surely the direct way out of the snarls and antagonisms in which capitalists and laborers are so frequently involved. If ever the condition of the laboring classes is to be really and radically improved, they will have to work out their own salvation, and, spite of all hinderances in the way, they can do it now by intelligently and persistently diverting their minds and their means to that end. Instead of suspicion and denunciation of capitalists they should combine their resources and energies in business enterprises. Not much, perhaps, can be done by them on a very large scale in that way; but if only in a modest way, in branches of business open to them, which can be carried on with limited means, let them try to secure and maintain their individual independence, sharing among themselves the results of their skill and exertions. If any one say that such counsel is vain and illusive, let him listen to a marvellous story :

“In 1844, in a manufacturing town in the north of England, twenty-eight laborers formed a conspiracy to improve their condition, which was just then well-nigh desperate. They agreed to combine their means wherewith

to start their scheme of distributive co-operation. Their subscription of only five cents a week slowly accumulated to \$140, on the strength of which they rented a store and began business. At first there was struggle and temptation to despair, but after a while profits began to show themselves, converts to their scheme increased, and joined the original twenty-eight—the members numbering nine hundred at the end of ten years; while the \$140 had become \$35,860, business being done in the last year of the ten to the amount of \$166,820, the profits of that single year amounting to \$8815. The present status and dimensions of the enterprise started by these twenty-eight poor men are indicated in the late reports. I have had access to no later than that of the Register-general for 1878,* from which I learn that there were then in existence in England, Scotland, and Wales 1289 co-operative societies. The number of members was 554,773; the sales \$104,865,795; and the net profits \$9,002,340. The material results of the movements are simply amazing. But who can calculate the moral results? Two and a half per cent. have steadily been set aside for educational purposes. Habits of sobriety and industry and economy have been begotten in many men, who, without such inducements, might have lived on in sluggish indifference. Thousands who never knew what it was to be out of debt have built for themselves houses, and have otherwise provided

* The growth of the co-operative movement in Great Britain since 1862 is shown in the following table:

Year.	No. of Societies.	No. of Members.	Share and Loan Capital.	Annual Sales.	Profits.
1862.....	450	90,000	£450,000	£2,350,000	£166,000
1872.....	920	340,000	3,340,000	13,000,000	985,500
1882.....	1200	640,000	8,000,000	25,500,000	2,100,000

against a 'rainy day.' Pride and a general aspiration have taken the place of the dulness and despair. Sobriety and cleanliness and self-respect have been fostered in the multitude, while honesty and fair dealing have been practically illustrated on a scale seldom known in the world of traffic."

Bishop HENRY W. WARREN, of the M. E. Church.

"I regret that I have not time to tell how profoundly I am interested in your and all other efforts to bring about a clear understanding and perfect justice between the employer and the employed. I have known quite a number of men who carried the 'Do unto others as ye would that they should do unto you' principle into their daily business, and I believe the number of such employers is increasing quite rapidly. For myself I have felt it quite clearly my duty to speak often—very often—on these high themes of practical Christianity. Christ came to heal all the woes of this sin-cursed world. The law of his being was to bear the burdens of others (Gal. vi. 2), and the constant exhortation of the Scriptures is that we be like him. Paul says: 'Let this mind be in you which was also in Christ Jesus. Though he was rich, yet for our sakes he became poor, that ye through his poverty might be rich (II. Cor. viii. 9). It is the great glory of Labor, that the son of that God who constantly works became a carpenter. Pages upon pages of the Bible forbid oppression of the poor, and teach that God will avenge their wrongs. There was an old law that when a poor man was obliged to pawn his garment it should be restored to him at night, that he might sleep in comfort and bless the considerate pawnbroker (Deut. xxiv. 13). And prompt payments were required in these words: 'The wages of him that is hired shall not abide with thee all night until the morning' (Lev. xix. 13).

“If we were as careful to incorporate into our practice and our laws the care of the poor and the execution of justice exhibited in the Mosaic system as Jefferson was to incorporate its principles into our National constitution, many of our labor troubles would be at an end.

“Emphatic as God was against oppressors, he was no less so against tramps, saying, ‘Six days *shalt* thou labor and do all thy work;’ and ‘If any work not, neither should he eat’ (II. Thes. iii. 10).

“He taught arbitration: ‘If thy brother shall trespass against thee, go and tell him his fault between thee and him alone. . . if he will not hear *thee*, then take with thee one or two more. . . if he shall neglect to hear them, tell *it* unto the church: but if he neglect to hear the church, let him be unto thee as a heathen man and a publican.’

“There is no better Magna Charta of human rights than the Bible, no truer conservator of human liberty than the church that is true to the Bible and its Maker. Every preacher of the Word should be sure that he does not fail to expound that part of it that denounces oppression and stands up for the oppressed. Because they have not failed, I believe, as I intimated in opening, there is an increasing number of establishments where the Judge of all righteousness might go through every part, and say at the close of his inspection, ‘Well done.’”

CHAPTER VII.

A SYMPOSIUM ON SEVERAL PHASES OF THE LABOR QUESTION—*Continued.*

VIEWS OF LABOR COMMISSIONERS.

Hon. E. R. HUTCHINS, Commissioner of Labor Statistics, State of Iowa.

“EACH question is a great study in itself. They are the ones that are rapidly becoming national ones, and I believe upon their wise solution largely rests the prosperity and peace of the country. There is no longer any use of crying communism, socialism, etc. While such isms curse the nation and greatly retard the progress of the honest working-men, the fact is nevertheless indisputable that the working-men have donned their thinking caps, and underneath them there is going on ‘a heap o’ thinking.’ That this is true is one of the best signs of the times. If this country needs anything among its working-men it is thought. When this is cultivated and exercised, judgment (and not a few agitators who ‘bring us nothing but the ocean to make our broth with’) will logically settle their matters of dispute and controversy. Among these questions (and among the chief ones) are those I find in your letter before me. I must almost answer them with simply the brevity of a Yes or a No.

“1. I answer, Yes. The question is one of the present tense, hence I am compelled to answer thus. Bring about some of the results implied in your subsequent questions and I should unhesitatingly answer, No. But the truth is,

that no matter how costly the method and how bitter the experience under the present state of things, the working-men as individuals have but little, if any, power to establish their claim for either a better condition or better pay than by combined acts of compulsion. This is a humiliating statement, yet it is true, hence your question gets an affirmative reply from me.

"2. I believe it is. Believing it to be, I have urged in my report the enactment of a law embodying its principles. Wherever it is tried honestly it is successful. This is true in this and in the old countries. But it must be honest. It must be entered into with sincerity on the part of both sides, and its results must be as binding as any law upon a statute-book. Such a policy must eventually succeed, for at its very foundation is the recognition of mutual rights. This is getting very near the highest Divine command, 'Love thy neighbor as thyself.' What is needed is for reason to assert itself. When it shall hold sway (and it will not take long in honest arbitration to enthrone it) then employer and employé will learn that their interests are not antagonistic, but thoroughly reciprocal.

"3. I think so. Arbitration is one of the strongest and broadest features of co-operation, hence through it I look for light towards a 'more satisfactory and equitable basis for the division of the profits.'

"4. I judge not altogether, but certainly to a great degree. It is a long stride, and perhaps we are not yet ready for it. Again, arbitration will go a long way to show whether we are and whether it is best.

"5. I have no doubt of it. The splendid results arrived at from the plan in Philadelphia and in New Brunswick certainly show it. These institutions are upon a large scale, and countless smaller ones over the country lead us to believe that they may be made as successful in America as

that established by M. Leclaire, or that of the Rochdale pioneers. 'It means self-help, self-dependence, and such share of the common competence as Labor shall earn or thought can win, and this it intends to have.' If this is true, it is a powerful factor in political economy. It is the embodiment of justice, and when all things else perish, justice shall be immortal."

Hon. JOEL B. McCAMANT, Chief of Bureau of Industrial Statistics, State of Pennsylvania.

"1. Strikes and lock-outs will prevail as long as the peculiar relations which exist now, and always have existed, between Labor and Capital continue.

"2. Arbitration, in my opinion, is the only reasonable 'coupling between Labor and Capital.'

"3. How such a satisfactory result is to be arrived at has puzzled the writers on economic subjects in all ages, and is no nearer a solution now than when the agitation on this question first began.

"4. A question I am not prepared to answer, nor is it the province of this bureau to arrive at any solution of it.

"5. A question that can only be arrived at by practical application. Theories have been advanced by the score, and the end is not yet; but theorists, as a general thing, never advance anything of a practical nature, nor what is beneficial to all classes of mankind. I may be permitted to remark, however, that the organization of labor unions, properly conducted, meets with my approval. Wherever these organizations exist, and have been conducted in conformity with law and common-sense, benefit has resulted to the wage-workers as well as all other classes. They have brought about a higher standard of intelligence among the working-men of the country, and a greater degree of capac-

ity for the appreciation of good and just government, which must eventually be productive of the best results to all concerned."

*Hon. OSCAR KOCHTITZKY, Commissioner of Bureau of Labor
Statistics and Inspection of Missouri.*

"In answering I will combine your first and second questions: Strikes and lock-outs are certainly not a necessary feature of the wage system. They are, in nearly every case, the result of an aggravation of ill-feeling, brought on by the existence of a real or imaginary difference existing between employer and employé, which difference, in most instances, could and would have been settled satisfactorily to both sides, had arbitration been resorted to as soon as it was known that a serious difference between employer and employé existed, and before the breach between them began to widen and form itself into an aggravated and resentful condition. A Board of Arbitration composed of persons capable to judge clearly between right and wrong, possessing in every respect the confidence of the community, and who are not directly interested in the dispute to be settled, would in nearly every case present a plan of settlement acceptable to both parties. Any proposition made by a board so composed would be supported by the moral force of public opinion, and the refusal by either party to the dispute to accept the plan of settlement proposed could only be fatal to the interests of the party so refusing. The answer to the next three questions can also be combined: Co-operation, if carefully managed and properly conducted, will, in my opinion, gradually remove the strained relations now existing between Capital and Labor, and tend to harmonize those interests. Co-operation will increase the earnings of Capital by distributing to Labor part of the profits arising from the combined efforts of

Labor and Capital. In co-operation the employé will, knowing that as profits increase his own interests increase, take better care of tools, work more willingly, be more careful in handling the raw material used, and in all ways help to increase earnings. To make co-operation successful, great care must be taken in the selection of the manager in charge; no reason should be given to the wage-worker for suspicion; intercourse between the manager and worker should be free, open, and harmonious, and by kind treatment the condition of the wage-worker more elevated. Arbitration and co-operation will certainly aid greatly in harmonizing Capital and Labor."

Hon. FRANK A. FLOWER, Commissioner of Labor Statistics for the State of Wisconsin.

"1. As long as there shall be no radical changes in civilization—education and general regard for the welfare of society and each other—Yes. But I think, although strikes are growing more rather than less numerous in a country as old as England, that as time elapses, Capital, and especially government, is gradually conceding more to Labor in this country, and that ultimately the two, inseparable in success or disaster, will consult and work together with reasonable harmony and more even and general prosperity.

"2. It will settle many disputes, no doubt, but, I think, prevent none or few. What we want is prevention of strikes, not suppression. That can never come from the intervention of third or outside parties, but must grow out of a large increase of mutual regard and kindly feeling between employer and employé. The former must learn to look upon the latter as a human being in every respect like himself, with heart, hopes, ambition, desires, sorrows, and sympathies; and the latter must cease hating, envying, and

railing at the former because he is rich. Honest poverty is no disgrace, nor is honest wealth a crime.

“The third, fourth, and fifth of your queries are sufficiently covered by the last, viz.: ‘Is productive co-operation practicable in the United States?’

“It is, I believe, if rightly managed; but not co-operation among artisans alone. It must be some form of co-operation between artisans and Capital. Ambition, jealousy, dissatisfaction, or the desire to ‘boss’ will generally break up co-operation among those who have no capital but their skill and labor. And there are practical drawbacks to co-operation between Labor and Capital as it is generally understood, the principal of which are the reluctance or inability of laborers to share with Capital in heavy business losses, or to work with little or no wages or profits during periods of commercial depression. Other drawbacks are the general mistrust of each other among working-men, and their lack of education and such knowledge of business men and methods as are absolutely indispensable to success as managers.

“A system of participation in profits upon a fixed basis is the only one that can meet with any reasonable success in this country, and that will not be always satisfactory.

“Wages may be fixed for workmen, and interest on capital for employers, the excess of profit after paying these and the running expenses to be divided among employers and employés as mutually agreed. But even if such a system were to become general the millennium of the working-man would not be at hand. Some artisans will work faithfully, others shirk. Some will be economical, others shiftless and destructive. Some will be ambitious and pushing, others mere parasites, as now, under all systems.

“Law will not bring high wages never earned; no so-

ciety, strike, organization, agitation, or corporation will ever endow us all with thrift, contentment, and success.

“Brothers start out together with equal opportunities and resources; one goes up, another goes down, and a third dodges along from pillar to post, living from hand to mouth like a wild animal. Would any law or custom change this?”

“I have seen two artisans laboring side by side at the same work for the same wages. One was bright and cheerful, the possessor of a comfortable home, a neat, clean, and happy family, and a general air of contentment; while the other was in debt, had no home of his own, and was generally at war with the world, talking of strikes, the crimes of monopoly, the oppressions of Capital, and the urgent necessity of passing a law that would tear up things generally, and do something to punish the rich and help the poor.

“No new system can change the natural bent of human disposition, but I do think that a participation in profits by workmen would do much towards bringing about general contentment and more equitable prosperity, and do still more towards preventing strikes and lock-outs. If so, let us have that system, and the sooner the better.”

MATT. J. SIMPELAAR, Esq., *Deputy Commissioner Wisconsin Bureau of Statistics.*

“1. Strikes and lock-outs are the necessary results and present features of the wage system, and will remain so until a substitute shall have been established recognizing the true relation between Labor and Capital, as nearly, for instance, as the relations between manufacturer and merchant are now established.

“2. Much as I would like to see arbitration resorted to in the present status of the labor problem, I do not con-

sider it the 'missing coupling' between Labor and Capital, but consider it impracticable as a permanent means of settlement of disputes, unless the decisions of arbitration could be legalized and made as final as the verdict of juries.

"3. I believe that a satisfactory and equitable basis for the division of profits arising from industrial enterprises was discovered long ago, but have little hope that it will replace the wage system within the next hundred years.

"4. 'Industrial partnerships,' in a specific sense, would afford a remedy. My plans would be to have a fixed income placed upon the entire capital invested, and then let Labor and Capital receive share and share alike of the joint product.

"5. Only in accordance with the above plan do I believe industrial co-operation practicable."

Hon. JAMES BISHOP, Chief of the Bureau of Statistics of Labor and Industries for the State of New Jersey.

"On the part of Labor it is an encouraging sign that the leaders in the labor movement are directing their attention to the question of education, and in some localities are exerting their influence to make the public-school system more practicable, so that a boy or a girl graduating from these schools shall be capable of self-support. In quite a number of schools in Connecticut and New Jersey technical instruction has already been grafted upon the system. In some of our larger towns there are being erected working-men's halls, where lectures can be given, reading-rooms opened, and libraries established. Here, too, discussions upon the economic questions take place, and working-men are advancing to a higher social plane and are preparing themselves to exert a larger influence upon the body politic. These movements, in my judgment, make the future more hopeful, and will render it easier to bring about the desired

harmony between Labor and Capital; for it is certain that as the laborer advances in intelligence he becomes more useful to his employer, and a mutuality of interest will be established between them which will, to a great extent, render strikes and lock-outs unnecessary—for arbitration will more easily settle whatever difference may occur. Unquestionably the time is near at hand when some system of profit-sharing will be adopted between the employer and the laborer as is now done in many instances in this country, to a large extent in England, and to a still greater extent in France. This or some other form of industrial partnership must be inaugurated.

“But through co-operation, both productive and distributive, will come the true solution of the problem for the working-man, if he is ever to share the accumulations now gained by the comparatively few who handle the exchange of commodities and reap the benefits of manufacture. Just imagine the army of working-men, each one requiring food, shelter, and clothing, by co-operative effort handling through their own agents the supplies for their families and the dwellings they inhabit, dividing quarterly the net profits among themselves, and then ask, How long will it take these men, with proper economy, to become each one a capitalist?”

CHAPTER VIII.

A SYMPOSIUM ON SEVERAL PHASES OF THE LABOR QUESTION—*Continued.*

VIEWS OF JOURNALISTS AND OTHERS.

Hon. LORIN BLODGET, Philadelphia, Pa.

“YOUR inquiries involve very broad questions relating to the economic policy of the country, and also some more recent questions relating to the conduct of business when our people have no competition from abroad to contend with. Having given many years to the work of securing the industrial independence of the country, I was much disturbed and disappointed to see the advantages of the independence then almost secured so nearly thrown away as they were in 1884 and 1885 by needless depreciation and inordinate competition. And although the danger from these abuses has for the present passed away, you will do a public service if your inquiries help to settle some of the questions of right and duty arising in this industrial employment.

“1. Strikes and lock-outs are extreme assertions of the right of defence which must be conceded when justice fails otherwise. The strikes of the last few months have done great service to the very employers against whom they appeared to be directed, by compelling them to organize their business on some better principles than mere undercutting in prices. This undercutting was the chief cause of the depression of prices so much pressed for two months at the close of 1884, and still continuing for an equal period

in 1885. It affected the iron industry first and chiefly, but it was more or less prevalent in all industries. It was not possible for either proprietors or wage-earners to prosper under that policy. The primary misdirection was in the attempt to reduce wages in order to be able to undercut in prices.

“2. Arbitration is an admirable solution of ordinary difficulties, but it fails in such extraordinary periods as our late experience, and is of little value in England now, because if the proprietors’ market absolutely fail he cannot pay labor at all. All the workman can ask is his rightful share of the business that really exists, and he must take care that he saves a part of his earnings when business is good and saving is possible. This is the primary fault with the workman at all times, and its correction should be systematically urged, and should be favored by proprietors as well as by law. But the principle of arbitration should be established also as a provisionary law available at the option of either party, its operation to be compulsory only when selected by both as a mode of settlement.

“3. There is, however, a higher authority that should on some occasions be resorted to, and compulsory process of review and adjustment should be had in some cases under authority of the civil law, which should provide for the performance of a contract, express or implied, unless good and sufficient reason is shown for its abrogation. Persons engaging in a service the nature of which is continuous, should be held to a reasonable obligation to continue or give notice of discontinuance. Persons employing labor on a like continuous service should be held to some reasonable limit as an implied contract, to be vacated only on notice and with reason.

“If the common interest of the workman is recognized by a participation in the profits, he can see that he has no

right to withdraw without notice, and so, if he expects his wages to show the same relation to the prosperity of the business, he should be held to a like obligation. He has no right to strike without necessity or justice, and should be punished if he does. But, after all, the positively co-operative form of conducting industries does not work well. I have observed it, and have frequently made report of it to other governments, as well as to our own, for nearly thirty years, and it remains but the smallest possible element of our case now, as it always has done. The vast majority of those who work for wages would be unpleasantly burdened and obstructed by having on them any business cares whatever. The proprietor manages infinitely better for them than they can manage for themselves. It is only wonderful that such vast sums can be earned as wages, and can be paid in weekly or monthly dividends on business investments.

“The workman should not forget that there is no obligation resting on any other man to employ him and pay him wages. The burden of his support is his own burden, and for all opportunities that open to relieve him he should be grateful to those who open them. He has no right to quarrel with or to obstruct an employer who pays him as much as he can earn for himself. An attempt at a definite system of contracting for employment and for forfeiture of some part of the wages earned, if leaving without notice, was recently made here and failed, as it should fail. It is better for both parties to impose no absolute conditions, none involving loss of wages earned, and none compelling payment for services which the proprietor does not get or cannot use. Cannot the courts be authorized to hear complaints of broken contracts as to employment and wages, and to order adjustments on the principles of equity? A court of equity in labor and wages, with power to enjoin

against acts of oppression, or of combination approaching to conspiracy, would be a probable relief—proceedings to be had only on the application of a number of citizens alleging injustice under oath.”

Hon. W. H. COLE, Member of Congress from the Third District of Maryland.

“Strikes and lock-outs seem necessary just so long as the determination to reduce the wages of the working-man to the lowest possible limit exists in this country. They are greatly to be deprecated, and I regret their recurrence, because they so often cause so much suffering and poverty among the worthy and deserving, the infirm and helpless. Arbitration may be the missing coupling between Labor and Capital, but of this I am not able to decide. It seems to me to be decidedly better than strikes and lock-outs, with their attendant train of want and misery. Perhaps a plan might be devised to remove the misery resulting from strikes. I have pondered over the subject and searched in vain among the writers on this topic for a plan that would remedy this evil. Perhaps a plan something similar to the following might answer: When a party of working-men, to prevent reduction of their wages below starvation prices, find it necessary to strike, let them prepare a statement of their grievances and present it to the judge of the nearest court of record. Let it be the duty of the judge to notify the employer at once of the action of his employés, and require a prompt answer to be filed, hear the case out of place, and decide it on its merits right away. With reference to the third interrogatory, I do not think that a more equitable basis for division of profits arising from industrial enterprises can be established until the whole of the present mode be done away with. Now it is the design and effort of the huge corporations in the country to obtain the great-

est possible amount of work for the least possible amount of pay. The fourth interrogatory is in the domain of experiment, and I have no data on which to base an opinion. The same I would say of the fifth question. The truth is that all the legislation of the past quarter of a century, municipal, state, and national, has been in favor of monopoly and against the interest of the working-class. Change this, pass wise laws protecting Labor in its rights, and the strain alluded to by you in your communication will be less. Injustice is done the toiler on every hand; let justice be done him; let him receive a fair compensation for his work, and then you have at once a satisfactory solution of all these questions."

O. F. CARPENTER, Esq., *Chicago, Ill.*

"1. Not necessary features of the wage system, but mightily irritating to capitalists, although not profitable to workmen, and may be requisite to bring about a more equitable division of profits between employers and employés. Because it seems plain that if employés, as a class, remain satisfied with their wages, employers will either not advance them, or, in case of a bad year or badly managed business, maybe reduce the wages, as wages are usually a large item of every business enterprise, and the first one that many employers try to reduce, when really expenses ought to lessen by better organization and better methods all around, which requires more brains than to decide on a ten or fifteen per cent. cut all around. Now to discourage these arbitrary reductions and to encourage employers to look at the weak and often difficult points, quiet strikes may be desirable, and, for the time being, necessary steps to arbitration or limited industrial partnerships.

"2. Arbitration, if adopted early, must certainly be better than hasty action, either in cutting wages or in striking;

but after a reduction or strike is ordered, both sides are so much irritated that the desire for fairness, although agreeing to arbitration, is often absent.

“3. I hope so. Let some one go ahead and discover the way.

“4. The mutual sharing of several hundred people—at very different salaries—in a business seems a very intricate problem; or if each has an interest without any salary, the fixing of such share would be as difficult as determining wages; and as each person naturally thinks his services of more, or as much value as any one else, the trouble would be to get some one at the head of the firm or institution with enough character to make all the employés accept his ideas of the right proportion.

“5. The same trouble would arise as in No. 4, although, as intelligence increases among workmen, they might be induced to accept a share (although not what they thought their due) as better than an out and out salary if accompanied with an appearance of freedom and a certain share in the councils of the business. But this would require considerable unselfishness in all employés to make them work exclusively for the firm, and not for their relations, their friends, or themselves.”

JOHN ROEMER, Esq., *Wheeling, West Va.*

“The combination of Labor is necessary to command respect, and to enforce obedience to their reasonable demands. My platform is as follows: Co-operation where possible; to become their own employers and employés; arbitration, when differences arise, by a competent board of arbitrators; equalization and division of profits between Capital and Labor; prohibition of importation of any article that can be made and produced in this country; abolishing of corporation laws by States and Territories; prohibiting the sale

of anything without actual delivery of the article sold, punishable by fine and imprisonment; government control and regulation of all railroads and telegraphs; the government to appropriate not exceeding \$50,000,000 a year, to be used, or as much thereof as is necessary, to furnish transportation and twelve months' support to any citizen of the United States who wishes to become an actual settler on one hundred and sixty acres of government land without means, the amount furnished to be a lien on his land, and title retained until the same is paid back."

JULIUS BLEYER, Esq., of the "*Evening Wisconsin*," Milwaukee, Wis.

"The cause of the differences between capitalists and their employés lies deeper than mere disagreement as to method, or objection to rate of compensation; it lies so deep that nothing short of a regeneration of mankind will solve the problem. In the struggle for success—which nowadays is measured from a financial stand-point—the growth of avarice is stimulated and the finer sensibilities blunted. Trade and manufacture is a mighty scramble for dollars, and he is most successful who purchases his raw materials for the lowest figure, converts them with the least expenditure, and sells the product at the highest market rate. The working-man, in order to be successful, must sell his labor at the highest possible price, and replenish the waste with the least possible expenditure. He is on the same level with Capital in the scramble. As manufacturers and tradesmen sometimes find it necessary to combine in order to prevent over-production or ruinous competition, so Labor, banded for protection, occasionally endeavors to prevent Capital from lowering the rate of compensation; or, deeming the rate too low in comparison with the percentage of profit made by the capitalist, tries to

obtain an advance. These efforts of Capital and Labor are right or wrong according to the degree of avarice that prompts them; and the obstinacy with which their struggles are prolonged is proof that reason is borne down by the evil attribute either on one side or the other. When reason is thus dethroned—and in what strike is it not?—arbitration may temporarily solve the difficulty. Both sides having worn out argument, doggedly refuse to make the least concession—sometimes out of pure anger, but oftener for fear of raillery by their fellows. And right here it may be stated that in many instances this fear of raillery locks the lips of the majority at meetings of working-men, and permits the talking minority to order a strike. When this condition of things exists a third party may succeed in securing concessions from both sides and eventually restore harmony.

“Co-operation as a remedy for the uncertainty that now exists lacks solidity of basis. Harmony is highly essential to success in enterprises of this nature, and unless the co-workers can agree each to fill a certain position, and not murmur if any of their fellows have less drudgery or toil, there will be dissensions. All cannot be managers, and without proper management there can be no success, and fitness alone must nominate the leaders, not the ballot, as the latter force has fallen far short of the ideal of the founders of the greatest co-operative institution on the globe—the United States of America.

“Industrial partnerships embracing a mutual participation in the profits—according Capital its legitimate share—would seem to be the Utopia of industrial fellowship. But this would call for the regeneration of mankind, without which no solution of the labor problem is possible. To make the scheme a success, Capital must accord Labor the privilege of supervising its accounts and levying tribute in

proportion to the profits shown therein; while Labor, on the other hand, must stand ready to refund wages paid should the books show loss instead of profit. Can any one imagine any number of working-men who would be willing to toil for an uncertainty? Can any one imagine even a small number of capitalists who would risk their wealth in large enterprises except under inducement of large returns? The idea of mutual participation in profits is plainly borrowed from far-off Utopia, and must give way to the more practical method of the arbitrator, who, even among the great powers of Europe, is looked upon with so much favor that war as a means of settlement of national differences is fast becoming obsolete. So, in the struggle between Capital and Labor the arbitrator must take the place of the lock-out and the strike."

C. O. BORING, Esq., *Chicago, Ill.*

"In so complex a problem no one remedy can be hoped for which will cure all the ills, as with each readjustment the entire problem will present a different phase. Of one thing we may be sure, *i. e.*, strikes and lock-outs will continue, and indeed be necessary, unless some more powerful hand than that of mere force of public opinion shall coerce the great antagonistic organizations of Capital and Labor. The great difficulty, as I see it, in the way of arbitration at present, is the mutual misunderstanding and fear of each class by the other. The short cut to the solution of this is a system of public enlightenment which shall assist each to appreciate the exact condition of the other in relation to themselves. With such assistance, arbitration may finally be able to prevent clashing, but can never settle the problem. The final solution lies in your fifth question, which is rather a suggestion, if the problem is ever settled. Is this possible in the United States? Not at

present. Our labor classes are not yet settled in communities where they can or will be able to remain permanently. This is an absolute necessity before co-operation can be expected at all. Our laborers are not acquainted with each other, nor can they become so acquainted until brought together by an organizer, who is usually a capitalist. When Capital realizes, as it must eventually, that co-operation will improve production, increase earnings, and facilitate improvements, then co-operation will be possible and profitable. That laborers can unite and thus secure co-operation is not possible at the present state of the social problem, except in a few of the older manufacturing centres."

Hon. J. M. SWANK, General Manager American Iron and Steel Association, Philadelphia, Pa.

"Unfortunately, arbitration in this country, which has been sanctioned and regulated by law, but not enforced by it, has been of little avail in the settlement of disputes between employers and employés. All other arbitration, being merely an appeal to the reason of both sets of disputants, has existed since the world began, and is not, therefore, a new remedy for anything. Compulsory arbitration, that is, arbitration with a sheriff or a posse of soldiers behind it, to compel obedience to its decisions, is foreign to the genius of our institutions, and neither employers nor employés desire it. We may be certain that we will not see it in our day. Wherein is the element of justice in compulsory arbitration that would compel an employer to pay wages that he cannot afford, and that might bankrupt him, or that would compel a working-man to labor for lower wages than he believes he is entitled to receive? Voluntary arbitration between a particular employer and his workmen, or between a body of employers and a body of working-men, is, however, desirable; and yet we have seen at Pittsburg how even

kind of arbitration, operating through the Wallace Act, aimed to prevent strikes and their attendant evil consequences.

Productive co-operation is a plant that has never taken root on American soil. The element of confidence between man and man appears to have always been lacking—certainty that every man was doing his full share, and there was the necessary amount of brains at the head of the management. Then, too, manufacturing enterprises in our day and in our country require large capital to render them successful, and any number of working-men may have this necessary handmaid to labor. Even if a number of working-men should be financially able to build up a manufacturing establishment, what is to become of them and their families in dull times, when it would be difficult to secure orders at any prices, and when they might be compelled to cease all operations through a total or partial demand for their products? Capital is needed to carry over periods, and often very long periods, of depression.

There will be very little co-operation in this connection except in the supply of the necessaries of life. But as a substitute for co-operation there exists no reason why a working-man who has saved something out of his earnings should not buy a few shares of stock in the company or corporation which has given him employment. An employee of the Pennsylvania Railroad Company can buy stock in that company as well as a millionaire, and an employé of the Cambria Iron Company who has money in the savings-bank can buy stock in that company if he so desires. There can be no objection to the scheme of profit-sharing if manufacturers can be induced to adopt it. It is no more practicable as a remedy for the frequent differences between working-men and their employers, and as an barrier to the widening gulf between the rich and the

poor, than either arbitration or co-operation. But is it so in reality? Will manufacturers consent to share their profits with their workmen after paying them fair wages? We doubt it. We can see that they might do this from considerations that appeal to their sense of justice as well as to their business instincts, but manufacturers are like other people: they have in them a great deal of human nature. Especially do they believe that when the times are good they are justified in recouping themselves for losses sustained when the times have been bad. We fear that profit-sharing will not become a marked feature of the manufacturing industries of our country until we approach much nearer to the millennium than we have yet done."

DAVID H. MASON, Esq., *Chicago, Ill.*

"Only an outline of hints at my views can be compressed into the very small space to which you are obliged to limit me. Let me briefly answer your questions by their several numbers.

"1. Strikes and lock-outs evidence friction, and friction evidences an abnormal condition in the working of any kind of machinery, the wage system being itself a sort of machinery, or improved mode of coupling the exertions of the capitalist and the laborer—a mode far superior to that of slavery.

"2. Arbitration also evidences friction. There would be no arbitration needed unless there was friction to be overcome. Arbitration is, therefore, to the wage system what oil is to clogged machinery, and emblemizes a compromise between opposing forces.

"3. The wage system is only one of the way-stations on the route of development. For a series of centuries the general condition of the laborer has been constantly improving. His right to wages, and even to good pay, is now

almost universally conceded. But it was not so always. At one time the laborer was a serf, attached to the soil, and transferred with it as so much property, by sale or by conquest. Often he carried about his neck a collar, with an inscription which showed that he was born a slave, and belonged to a particular master. In that day any serious talk about compensation for labor would have been considered as wickedly innovating, and as worthy of merciless punishment. Through a natural process the slave worked out his freedom. His toil was unproductive, because there was in it neither heart nor hope. He produced little, and got little. The master soon saw that he could increase his profits by tempting the slave to increased task-work, giving him all the surplus he could earn after finishing his task. With this partial liberty of working for himself came the stimulus of hope; he worked harder for himself than when working for his master. It was finally seen that more exertion could be obtained from him, and at a really cheaper rate, by paying him wages than in any other way.

“After a considerable period of trial this system is now rapidly advancing to new stages of development. The laborer perceives that the capitalist realizes a profit upon the hire of services, and knows that all this gain would be his own could he only discover some way of self-employment. Co-operative societies of various kinds have grown out of this view of the subject. It thus seems that co-operation of one sort and another is to embody the next great fundamental step of progress that will be taken by the laborer in his slow and painful movement from a state of slavery to one of full power of self-assertion and of self-direction. Here may be caught a glimpse of the idea that antagonism between the capitalist and laborer will cease when the laborer shall himself become a capitalist. Labor will then mean only healthful exercise, with few hours and large re-

muneration, bereft of the wage system. But until then, as one difficulty of the labor problem shall be settled, another difficulty, on a higher plane of justice, will gradually emerge from the adjustment, in its turn requiring consideration, just as the emancipation of the Southern slaves was followed by the necessity for civil rights, and the granting of those is now supplemented by the need of education to fit the liberated blacks to exercise intelligently and beneficially the franchises of citizenship.

“Meanwhile, nothing is more certain than that the welfare and the progress of the laborer are inseparably bound up in the increase and activity of Capital; and that both strikes and lock-outs, by arresting and delaying that increase and activity, are very injurious to the laborer. History demonstrates that Capital is the great leveller. It is the laborer's untiring co-worker and unfailing friend, and will ultimately redeem him from every species of thralldom. The more plentiful and the more active it can be made the sooner will arrive that grand day of universal emancipation.

“4 and 5. The labor question is, so to speak, a tree the roots of which burrow deeply into the soil of slavery, and the trunk of which develops up, through drudgery, toil, labor, and work, to exercise, which is the antithesis of slavery, and is what the flower is to the root. Industrial partnership and productive co-operation, as well as co-operation for distribution, are legitimate branches of that tree. They are in perfect consonance with the great law discovered and formulated by Henry C. Carey—the law governing the distribution of labor's products, whereby the proportion of the laborer increases with the increase in the productiveness of effort, the proportion of the capitalist as steadily diminishing with constant increase of quantity, and with equally constant tendency towards equality among the va-

ious portions of which society is composed. They are in consonance also with the general societary law that the first and greatest want of man is association with his fellow-men."

JOHN C. SANSFIELD, ESQ., *Associate Editor of "Our Country,"*
New York City.

"Regarding the subject-matter of your letter as one of great importance at this time, and which in the near future must command the serious attention of the student, philosopher, statesman, and patriot, I must compliment you for your efforts 'to spread the light.'

"1. Strikes are never defensible except as a last resort against the exactions and dictum of Capital. In that sense only are they a necessary feature of the wage system. A strike is the most wasteful form of protest. Its settlement, pro or con, establishes no principle useful in the guidance of future contests. Lock-outs are entirely without defence if the question of morals is permitted to enter into the determination of the labor question. The industrial problem is a moral one, and unless viewed from that stand-point does not admit of fixed settlement, hence lock-outs should not be regarded as a necessary feature of the wage system.

"2. Arbitration is a missing link. The chain is broken in so many places that it cannot repair all the fractures. It is an advance from the crudeness of the strike, with its privation and waste, up to a rational means of settlement of disputes between employer and employé. It is the primary step in the evolution of the labor question.

"3. This opens up a wide field. Its fullest affirmative demonstration would require more space and time than either of us could afford to give to it at this moment. Suffice it to say that in the discovery and application of the system implied in the question we shall have made a de-

cided advance in the evolution of the industrial problem. It seems to me to be the posture which the question before us must necessarily reach in the next decade. It has been successfully demonstrated in various localities in France, especially so at the Social Palace at Guise, in that country, where one thousand seven hundred toilers are sharers in the profits of that immense establishment. Its value must be admitted when the volume of products is constantly augmenting and their quality correspondingly improved. In our country the principle has been sparingly applied at some few flouring mills in Minnesota, and its benefits to the employers conceded, as evidenced by the increased price received for their products, which is primarily due to the greater care and skill exhibited by the wage-earners in their capacity as profit-sharers.

“4. This query is involved in your third, and the response to that covers in a large measure its answer.

“5. To answer that in Yankee fashion, I would repeat your query and ask, Has it ever been made so anywhere else? If yes, why not here? The industrial successes that have accompanied all community enterprises, like the Shakers, Perfectionists at Oneida, N. Y., and Dunkers, have been due to the presence of co-operative principles. The mental ability and mechanical skill of these parties, as a whole, is not superior to the ‘world’s people.’ What has been accomplished by them under the eyes of the world’s people should have weight in according an affirmative response to your fifth query. A potent factor in the success which the community enterprises of this country have achieved, has been the recognition which they have accorded to the moral question as the fundamental basis of all their industrial undertakings. It is assumed to be unnecessary to refer to the success that co-operative societies have reached in England, because they are as familiar as house-

d words to people who have given these matters any attention. Industrial co-operation is the highest phase of solution in the labor problem. When it is established day of deliverance is at hand for the man, woman, and child whose heritage is poverty and toil. If 'productive co-operation is not practical in the United States,' then all the hope of industrial freedom the world over is but a baseless dream."

Correspondent who prefers that his name should not be used in this connection writes:

'What are the questions? Are they fairly placed before the public? That there is antagonism between many employers and their employes is true, but if it be a fact that between many others in the same lines of industry, of usually lengthy connections, there has been no shadow of interference, is it fair to say that there is a natural and irreconcilable conflict between Capital and Labor? If for each employer who, averaging to employ one hundred or one thousand men, has had his business either stopped or crippled many times in the past ten years, or five years, through strikes and difficulties with help, there can be found, not simply one, but many employers, each employing as many men, their business dating back twenty years, and still who have suffered from no strikes, is it fair to say that strikes are a legitimate result or accompaniment of the wage system? Who that has been observant has not known manufacturing establishments where wages sufficient were paid to make all employed and their families comfortable, whose manhood was recognized and respected by employers, and where employed did not feel that it was a necessity for them to be constantly on the lookout to prevent their rights from being trampled upon, but who, seeing in the success and permanent prosperity of their employers good wages and

permanent employment for themselves, took hold with a will, and felt an honest pride in doing the best work of which they were capable, and in sufficient quantity to insure the realization of profits by those who carried the risk and burden of investment and management? Such relations may have been, but are not now, does somebody say? You are mistaken. Such conditions do exist in thousands of instances.

"In this very city where these lines are penned, with its population increased within the time in which the writer has known it well, from five thousand or six thousand to nearly thirty thousand, through its manufacturing interests—as essentially a manufacturing place as any in the entire country—there have been no strikes, no labor difficulties. The history of the place for the past half century would include as a prominent feature many, many, many instances of thoughtful care on the part of employers for the best interests of those whom they employed, while on the other hand the instances would come to light by thousands upon thousands of daily, hourly, constant occurrence, in which workers for wages—simple wages, not participation—have willingly, eagerly, proudly striven to increase the production of their hands through greater individual effort, through combination of action, through invention, and the improvement of facilities, to the end that the general business of the place might increase, and that the mines which they were working daily without investment, without risk, should continue to pay. Employers have been tyrants, have they? Working-men have been living in a condition of poverty or enslavement, have they? Let us look into this a little. See this magnificent turnout, this pair of splendid horses. The carriage and harness and all the appointments are in keeping. A liveried driver has them in charge. What dares to so insult the common people? What right has

any man to indulge in such extravagance while so many must walk? Who is this old white-haired man, broad of shoulder and straight of limb, as erect as though but a score of years had passed over him instead of more than three-score-and-ten, which have whitened his hair, but not bent his form or impaired his intellect? He is the owner of the fine turnout. He is President of the Roll and Stamp Brass Company. Why does he walk? Where is he going at a time in the morning when men and women, boys and girls are hurrying along to get to their different places of employment before the seven o'clock whistles blow? Let's ask him. That we are working-men need make no difference. He has a cheery 'How do you do?' and hearty handshake for anybody whom he has ever met, and whose manners command respect. He snubs no man because he is a mechanic or laborer. What does he say? Listen! 'I make it a point to be at the mill before the whistle blows. I find that the exercise of walking back and forth is a benefit to my health.' Yes, but he is not a working-man; what does he go to the mill for? Why, he is worth millions of dollars. He is one of the hated capitalists. Let's go to the mill and see him for a little while in the 'soft place' which Labor in imagination fixes for all men who do not roll up their sleeves and labor physically. Ah! he is busy poring over some book of accounts, fixing some prices of goods, adjusting some losses sustained through failing or rascally creditors, devising means to meet the notes of other men who have let them go to protest, directing the labors of a score of accountants and clerks, answering questions from men in charge of different departments of labor in the mill, figuring out some means of still wringing a profit out of the manufacture of goods, the raw material of which has advanced in price, or the selling price of which has been cut down in market to less than cost by some un-

scrupulous competitor who only wants to get the work into his hands—if it don't pay, something else will carry it along until he runs the others out, and then he will mark the price up; and still amid it all this 'grand old man' greets us as cheerily as he did when we met him along by the city park this morning, with his half-mile walk before him to get to the mill. 'He will be at leisure in a few minutes—will we be seated?' Ah! here comes the mail. Let us watch him as he opens letter after letter, and takes in their purport—orders, bills, remittances. How rapidly they are disposed of! Fifty, one hundred of them, and still a few minutes has sufficed to fix the requirements of each on the well-trained mind, and to assort and place them so that subordinates shall know what disposition to make of each. Now he is at liberty. 'What can he do for us?' We want a bit of sheet brass, or a small quantity of wire, or a few pounds of rivets of some peculiar quality or of some special size or shape which needs that something shall be done a little out of the regular line; they can't be taken out of stock, and this millionaire, president of a great company doing a business of a million of dollars annually, is listening to our statement of what we want. Does he say I have no time to be troubled with a matter so trivial? No. He says, 'I guess I had better go into the mill with you and put this in the hands of the man in charge of the department best calculated to do the work. You can explain it to him better than I can.' Now we are in the mill with the millionaire manager and financier. How familiar he seems with the men, and with every detail of the work. How quickly he makes answers to settle knotty questions which have arisen on different operations. All through from stock-yard to casting-room, to rolls, to muffler-slitters, draw-benches, wire-blocks, pickle-vats, among lathes, planers, presses, drops, rivet-machines, through cutting and

drawing-up room, through stamping and spinning room, from the drawing up of a ferrule or thimble to the spinning up of a thirty-gallon kettle, or the drawing up of a steam-boiler without seam on the great hydraulic bench, he is familiar with it all.

“How is it? Let me ask this old man who has just taken from the pickle-tub a coil of wire and is rinsing off the acid—the man with the green hair and beard, which have turned green from the fumes of acid and metal—the man who has tied about his waist an apron which is dripping wet, and whose clothes generally look damp, while he stands on a floor so wet that you wonder he don't ‘catch his death of cold.’ He ought to know. He does. Listen: ‘I've worked here fifty years. The president and I used to work side-by-side. Yes, sir, for a good many years he used to come to the mill in the morning with his dinner in a tin pail, and worked as many hours and as hard as any of us. He knows about this kind of business. Why, bless you, he has been all through it; he can do it now. Good man to work for? do I like him? I'd do anything in the world for him. Why, he is the best friend I have in the world. When I got hurt and was laid up for months he paid the doctor, and my wages went on just the same, and he used to run in to see how I was getting along. Is it particular work running a pickle-tub? Yes, sir. It's got to be done just right, just as much as running a train of rolls or a draw-bench, or doing any other part of the work. I've been at it so long that it don't bother me much now; but the time was when I could hardly sleep nights for the worry and care. Would I like to have some bigger job, have more care, and get bigger pay? No, sir. This is all I want to attend to, and I get a good living. My children are all doing well, and my wife and I don't need a great deal to make us happy. Do you see that

fleshy, gray-haired man giving directions about the rolling? He has been here fifty years, too. A good many years ago he got the job of superintending the rolling—gets a big salary. He is worth \$50,000. He drives just as good a team as the president does. What do I think about legislating to try to divide things up a little more equally? I'll tell you what I think. Here's we three men—the president, the boss roller, and I. I couldn't fill either of their places, the boss roller couldn't fill the president's place, you couldn't keep the president down to either of our places, and there'd be no more use passing laws on the subject than there would in passing a law that there should be no small potatoes in a hill.'”

J. VINCENT TAYLOR, Esq., *Commercial Editor of the "United States Sewing-machine Times," New York.*

“To answer No. 1 promptly, no strike or lock-out can be a necessary feature in the furtherance of any industrial scheme, though it is seemingly alleged to be sometimes compulsory to resort to them. Why so? The working-classes of America are presumed to be intellectually in advance of those of Europe and of the last decade, and so the ‘dignity’ of labor aspires to something more in keeping with that dignity, which in some way aims to be classed as a species of capital in itself, arranging its growing importance as ‘physical capital,’ and thus supplies the want of one of your eminent contributors to this department, seeking the most appropriate title of modern times for labor. Thus when physical capital appeals to the employing powers for some consideration, it does so upon a higher plane than did the men of fifty years ago, asserting that physical capital and fiscal (money) capital are on equal levels, and that if it is fair in law or social conduct for fiscal capital to reduce wages (or close its doors) in one case,

it is equally legitimate for physical capital to demand an increase of wages (or to strike) in the other case. But no strike occurs without some attempts at simple arbitration in the way of stating a grievance, asking for what is desired, etc. If, after being listened to, the prayer of the workers is refused, a strike, where one occurs, is the result of cause and effect on the part of both fiscal and physical capital rather than a 'necessary feature of the wage system.' Nothing evil or inhuman is a necessity, yet both the strike and the lock-out are evils in their very existence.

"2. Arbitration is good only according to the intelligence of those seeking redress through its employment. Thus, with arbitration the engineers of the New York City elevated railroads managed to overcome a great difficulty, because the intelligence of the directing head grasped the trouble in an intelligent manner, using reasonable arguments with (at that time) a reasonable employing power, which at first was inclined to be overmasterful. Now, take the case of the strike in the coke regions for analytical research. What do we find? A foreign element of low intelligence; an element, too, employed more for reason of alleged cheapness than anything else. But that low intelligence (the Hungarian) had made known its wants before striking. Those needs had been refused—a strike, involving the destruction of property, loss of life, etc., ensued. It is thus made manifest that at the present date arbitration is not the 'missing link' for yoking the two disputants in harmonious activity. Therefore arbitration can only be effective for lasting good where it inheres to the benefit of both parties to a question, aiming to settle (rather than making shift with a compromise) the dispute in force according to higher degrees of intelligence on the part of physical capital and the enlarged liberal sympathies animating physical capital.

“Question No. 3 involves an immense breadth of thought. As the intelligence of men increases in mental strength, constantly striving to reach higher levels in the world’s common intellectual progress, and so elevates the mental capacity of the workers, the hope of discovering something more substantial than is at present known for a more equitable division of profits, resulting from the combined efforts of physical capital and the employed or invested money of fiscal capital, may be ultimately realized. But, for the present moment, we seem to see no new discovery in sight. And why? Because the results of labor are not always the same. Also, the results of keeping capital in constant activity is not always the same either; hence profit and loss. Where there is fluctuation there is no intrinsic value. Where the products of labor are subject to conditions of constant changes, created only by the calls of demand upon the capacity to supply, everything is liable to be more unequal than equal every year. This being so, though division of profits may be adopted by one or more experimentalists with good results, it is impossible to legislate for its adoption as a general rule for a given nation, because detrimental to individual enterprise in that it is an old feudal idea dressed up in a new form. But this should not prevent us from making new discoveries for the benefit of both parties, if earnestly searching for or trying to originate the same.

“Interrogation 5 is practicable in any part of the world where civilization sits enthroned. We have seen it in China, in Australia, in Cape Town (Africa), and most of you know that it has produced good fruit in France as well. But everything depends upon the honesty of managers and the ability of the heads of each management in co-operative organizations of every kind. It requires so much system and ready knowledge as working capital to carry such

undertakings forward to remunerative pecuniary results. A partial remedy would be found in either 4 or 5, if one fraction of the profits could find its way to the pockets of the wage-workers once a year without making deductions from the weekly or monthly wage. But it would seem to me, on the whole, that all of us have yet much to learn in solving the great problem before us, and that it will require a whole generation to make the necessary reforms, aided alike by wise legislation and individual thought."

J. R. STEWART, Esq., of the "*Illinois State Journal*," Springfield, Ill.

"Let it be granted—as no doubt it ought to be—that, until a more excellent way is found, arbitration is the missing link between Labor and Capital. What, then, is to follow? What shall Labor provide for itself as an improved substitute for arbitration? Arbitration presupposes conflict of interests, and that a tendency to the elimination of this conflict must be perpetually maintained must be self-evident, if the case is ever to be made better. The number of laborers of average grade will continue to increase, doubtless, in greater proportion than the demand for their products. Consequently, we must begin to inquire where or when we are to reach the ultimate solution. We cannot go on forever arbitrating differences. Let us admit that arbitrary discharges of employes, sudden reductions of wages, lock-outs, and all the ordinary complaints of labor, are hard to bear, that they are often unjust, cruel, and frequently unnecessary. Such an admission advances us very little towards a solution of the problem. While we are employing arbitration we must be providing a way which will lead to harmony. I believe that, even to make arbitration approximately satisfactory, a very high sense of justice is necessary on the part of both

parties to the dispute. Still, it has its advantages. It is better for both sides than the strike. In these matters, as in disputes about property, a lean settlement is better than a fat lawsuit. Then, to my mind, it settles down to this, that the wage-worker must content himself to go ahead with such pay as he can get by this amicable method, and in the mean time bend all the energies of his nature to make himself a more useful man, and to equip himself with the means for greater self-help. He must practise a rigid economy. He must, once and forever, abandon expensive habits. He must save his earnings, and, at all hazards, lay away at least a trifle for a rainy day. With such a frugality assiduously practised as a habit of life, he may, even with personal advantage, relinquish a portion of his wages when hard times pinch his employer. The ability to do this is a new element of usefulness and strength. He must feel himself morally bound to seize all the unnumbered means of increasing his efficiency as a worker, so that when he has a demand to make or a favor to ask of his employer, he can truthfully say that no man can do the work assigned to him better than he can, or can do more of it. I think I may safely assert, after an experience of twenty years among wage-workers — and being myself a wage-worker — that the inefficiency of men, their *tendency* (if I may use that word) to unreliability, if not their actual unreliability, is the one prominent fact and greatest weakness among them. This is not true of any one class of men; it is everywhere, and ranges along the scale from actual botchery and slovenliness up to a point which just falls short of a high degree of excellence. Given a force of men in any single industrial avocation who can perform their duties better than anybody else, and their employment would be so secure that not even the income of the capitalist would be half so certain. I do not expect

that men who have reached middle life without having fully apprehended the possibilities even of what seem to them untoward circumstances, and who may have become hampered in the race, can quite surmount all their difficulties; but that they can better them there is no doubt. Certain it is, however, that if the workman's lofty ideal, here only vaguely hinted at, became a purpose as settled as the endeavor to better their condition by the crude methods now in vogue, a generation hence would see so many wage-workers emerge into the realm of independence, and so many more added to the list of indispensable supports to their employers, that the jostle and friction among the remainder would be practically reduced to a minimum. I may be told that this is merely utopianism. But it is not. In all the higher grades of work employers everywhere are to-day leaning upon the faithfulness of the few whose superior acquirements render their services indispensable. There is always room in the upper story; but, starting from the level of an ordinary wage-worker, no man can mount up by empty wishing. There is no excellence without great labor. Perpetual diligence, habits of thoughtfulness, study, accuracy, dexterity, manliness, good health are all requisites; but, thanks to kind nature, they are all cheap, and not even a grasping corporation can get a monopoly of any of them. Not all the wealth of the mines can buy good health, the primary capital of the wage-worker.

“Glancing at the newspaper business, for example—the one with which I am most familiar—probably the most exacting of occupations, and the one furnishing the least leisure—it appears to be an almost universal law that the men who rise from the lower grades and become as necessary as the engine or the press, or any other *sine qua non* which I could name, are emphatically the men who hus-

band their time and their means, and equip themselves so that they can not only set type as well as the best of their coworkers, but can make up the paper, lay out the plans for the best disposition of the matter, report a meeting, write acceptably on any ordinary topic—in a word, can do well anything the business requires. I assert that Nature has endowed all men of fairly good parts with the ability to do all this; but most certainly it cannot be done by any one, unless he have the most exceptional endowments, who will squander ten per cent. of his time and his working power in brooding over his own hard lot, ten per cent. in lying off for rest and recuperation from labor, and ten per cent. more in vices, luxuries, and excesses, not one of which he is justly able to support. He must deal with himself with a stoical rigidity until he has planted his feet upon ground so solid that he can stand easily by his own personal support. Then, and not sooner, can he afford to relax. Such a heroic laborer has no time to quarrel with his employer, and it would be suicidal for the employer to quarrel with him and his class. All such wage-workers must succeed. All the laws of nature and trade combine to help them forward, and as they multiply the elbow-room for the others increases. It is, to my mind, such a plain work-day philosophy as this which must help the wage-worker out of his troubles, and until he learns this philosophy I have no faith that any laws of human construction can materially lighten his burdens, which, I most profoundly know, are heavy and grievous to be borne. Legislation can help him, but I think it will be found, for the most part, to help him chiefly by giving him more opportunity and courage to work out for himself the practical doctrine which I have so lamely outlined in this article.”

H. D. LLOYD, Esq., of the "*Chicago Tribune*."

"The laborers are justly dissatisfied with their share of the products of their labor. Their remedy seems to me to lie in self-help through combination—combinations to make better contracts with their employers, combinations like the supply stores of England, to buy their goods in quantity at wholesale prices, combinations to enable working-men to engage in productive enterprises on their own account, as their own capitalists and employers, and, lastly, combinations to procure for their defence and advancement all that can be had from the Legislature, which hitherto has done so much at the expense of Labor for other classes, in land-grants, charters, exemptions from taxation, and the like. In all this work it is abundantly evident that the working-men have the sympathy of the thinkers of the world and of all the lovers of mankind. Hence, the issue is not doubtful. In our enlightened age this growth upward should be accomplished without social discord, like that which made the enfranchisement of the craftsmen of the Middle Ages the prize of blood and iron; but if revolution does come it will be, like the French Revolution, simply a violent episode in the emancipation of the people."

F. H. GIDDINGS, Esq., of the "*Springfield (Mass.) Union*."

"Strikes and lock-outs are an inevitable consequence of the wage system under existing economic conditions, because the wage system has ceased, apparently, and perhaps actually, to be a just arrangement. There is such a thing as a measure of just wages, though this is often denied by economists of the Ricardian school. Wages are just when they are an equivalent of the wealth that the worker creates. Such equivalence is necessarily established when the worker has an alternative opportunity of working for himself.

Seventy years ago wages were lower than they are now, but they were approximately just. Land was cheap; its product was large in proportion to Capital and Labor spent on it; manufactures and trade were conducted in small shops, and the worker that was dissatisfied with the wages offered by an employer could readily ascertain whether or not his work was worth more by becoming his own employer. This alternative has been rapidly disappearing, and for the majority, or wage-workers, will soon be quite gone. There is still cheap land at the West, but to get to it and secure a first year's crop requires considerable capital, and year by year the capital necessary to set up as a farmer or as an independent producer in any department of industry will increase. An increasing proportion of wage-workers, therefore, becomes, year by year, absolutely dependent on employers, and there is no longer any assurance that wages are an equivalent of work performed.

“That they are not, the worker concludes because he sees that, notwithstanding the marvellous increase of the productive power of combined labor and capital, he is thus becoming yearly more dependent.* It is not true that wage-

* “It is not necessary to show that all the effects of the introduction of power machinery have been to raise the standard of life wherever the introduction has taken place. It is true that in those countries where machinery has been developed to the highest, the greatest number of work-people are engaged, and that in those countries where machinery has been developed to little or no purpose, poverty reigns, ignorance is the prevailing condition, and civilization, consequently, far in the rear. Yet, if the question should be asked, has the wage-worker received his equitable share of the benefits derived from the introduction of machinery, the answer must be no. In the struggle for industrial supremacy in the great countries devoted to mechanical productions, it probably has been impossible for him to share equitably in such benefits. His greatest benefit has come through his being a consumer. In very many instances the adult male has been obliged

earnings are growing poorer while the rich grow richer, but it is true that the possessors of capital are growing richer so much faster than the wage-earners that the gulf between them is widening. In 1850 wages in the United States averaged \$247.11 a year, in all industries. In 1880 the average was \$346.91, a very gratifying increase. But the percentage of net product paid in wages was 51 in 1850 and only 48.1 in 1880. Fixed capital, rent, salaries, and commissions have largely increased, and through these various channels a larger percentage of net product goes to the employing capitalist.

"To find a more equitable arrangement becomes imperative, and it must be sought in the various forms of profit-sharing.* Arbitration involves one of these. It subjects the bargain between employer and employés to revision, from time to time, with direct reference to the question of what the employer can afford to pay, his profits being such or such. Co-operative production is another form of profit-sharing, and 'industrial partnership' a third.

"Co-operative production is practicable under certain well-defined conditions. A majority of the men must be a picked lot, of good intelligence, willing to defer to each other, of quick business sense, and willing to intrust large powers of management to their directors, under responsibility. They must have command of ample capital, a fact which at present limits their enterprises to comparatively

to work at a reduced wage because under improved machinery women and children could perform his work, but the net earnings of his family stand at a higher figure than of old. It is also true that while labor has been displaced apparently in many directions and in many industries, machinery has brought new occupations, especially to women."—CARROLL D. WRIGHT.

* For Mr. Giddings's opinion on this question, see chapter on "Profit-sharing."

small undertakings. The lack of sufficient capital has caused great mortality among co-operative experiments. The labor relation must be subordinated to the stockholder relation, and while profits go ultimately to the members in their double capacity of stockholders and workers, labor must be paid for, as such, regularly, at stated intervals. Each individual member, while in one capacity he helps to manage the affairs of the company, must in another capacity regard it as his employer and obey its orders.

“Those who are at all familiar with the literature of co-operation must have read with great interest and profit a little novel by Edward Everett Hale, entitled ‘Back to Back.’ The plan of this book, as we learn from Mr. Hale, was suggested by Mr. Weeden, one of the most successful of Eastern manufacturers. Indeed, the tables and practical proposals in it are in his words and from his pen. Mr. Hale in a letter says: ‘The plan seemed so feasible that I had three woollen-mills offered me by manufacturers in different parts of the country if I were willing to carry them on on this principle. This I could not do, for I know little more than the difference between felt and broadcloth. Mr. George Holyoake reprinted the story in England, saying that it precisely met his theory of co-operation. I have never thought that Vandeleur’s success in co-operative agriculture had attracted the attention it deserved. I published an account of it in “Old and New” in 1871. I believe that a general understanding that eight hours is the average normal period of daily work would be an advantage. Of course sailors, farmers, doctors, lawyers, law-makers, and every sort of workmen, would often have to step over the line. But I could wish it were understood that this is the average. If it were so understood, and I directed a great manufactory, I would employ two sets of help, and would run my establishment from four every morning till eight every evening.

I think the first manufacturer who does this on a generous scale will get the best workmen, will do the most work, and will make the most profit. . . . I wish that gentlemen in your position would do what you can to put an end to the rigmarole about the "dignity of labor." It is work which is dignified; labor never is. And the business of a journal like yours is to elevate laborers into workmen. The distinction between work and labor is marked, I think, in all careful English writers till within the last fifty years, especially and notably in the New Testament."

CHAPTER IX.

A PLEA FOR PROFIT-SHARING.

"Beyond all dreams of the Golden Age will be the splendor, majesty, and happiness of the free peoples when, fulfilling the promise of the ages and the hopes of humanity, they shall have learned how to make equitable distribution among themselves of the fruits of their common labor."—HON. ABRAHAM HEWITT.

A STATE of war, or at least an armed truce, is the condition under which industry has been pursued throughout the greater part of the last quarter of a century. The antagonism of Capital and Labor during this period has manifested itself in frequent strikes and lock-outs, attended with violence, outrage, and coercion, followed by irretrievable loss and inconceivable misery. The injury inflicted not only on the parties to the contest but on the community in general by strikes and lock-outs cannot be measured by the loss which they cause, considerable though that loss undoubtedly is. The suffering and misery they create must be reckoned in the account against them. The poverty, pauperism, and degradation of thousands of families are among the baneful consequences of these cruel and often prolonged contests, and among their victims are to be found the members of industrial firms in startling numbers. But the direct money loss for which these conflicts are responsible is enormous.

It has been shown by a very careful statistician, Mr. Charles Waring, that in the period from 1870 to 1879, in-

clusive, 2352 strikes occurred in England, and that the cost to the workmen in the decade was \$134,064,000, or an average yearly loss of \$13,406,400. The capitalist's or employer's amount of loss in consequence of strikes and lock-outs during the same period is estimated at \$20,947,500, an average of \$2,094,750 per annum. The two sums to the debt of Labor and Capital consequently amount to the total of \$155,011,500 for the decade, or at the rate of \$15,501,150 per annum. The extent and importance of the moral and material damage done by industrial warfare during the last twenty-five years in all parts of the industrial world is almost beyond computation. That it is both costly and demoralizing is universally conceded. It is equally beyond dispute that, so long as the interests of the employer and employed diverge, antagonism and hostility will characterize the pursuit of industry, and the complete and most profitable development of industrial enterprise will be delayed. It is obviously, therefore, to the advantage of all that some means should be found and adopted to make those interests identical by the substitution of some form of equitable diversions of the fruits of labor. To this end productive co-operation has been suggested and tried. The theory of association of workmen for production has among its advocates many of the most eminent political economists and philanthropists of this generation — Thomas Hughes, Professor T. Rogers, Professor Cairnes, John Stuart Mill, Lord Derby, Mr. Thomas Brassey, the Earl of Shaftesbury, and others equally well known. And yet the scheme of productive co-operation proposed so long ago, sanctioned by the highest authority, appealing directly to the self-interest of the laboring classes, has not been successful on a large scale. The history of co-operative production alike in France, in England, and in the United States has been one of the most discourag-

ing, if not of the most disastrous character.* The advantages are great, the difficulties enormous.

In the fact that comparatively few of our working-men have the intelligence and sagacity requisite to organize and manage a large business, will be found a pretty clear explanation of the reasons why co-operation of this kind has not been more generally introduced. However individual-ly skilful and industrious, thrifty and energetic the men may be, they lack besides capital the necessary business experience, training, and commercial knowledge to enable them to compete successfully with private enterprise combining capital and paid labor.†

It is scarcely reasonable to expect men without education, training, and discipline to manage large or even mod-

* In the "Co-operative Annual" for 1883 there is a record, on page 168, of 224 failures.

† "I see nothing which indicates that within any near future industry is to become less despotic than it now is. The power of the master in production, the captain of industry, has steadily increased through the present century with the increasing complexity of commercial relations, with the great concentration of capital, with improvements in apparatus and machinery, with the multiplication of styles and fashions, with the localization and specialization of manufactures."—PROFESSOR F. A. WALKER.

"It is indeed greatly to be doubted whether any body of working-men in the world could to-day organize and successfully carry on a mining or manufacturing or commercial business in competition with concerns owned by men trained to affairs. If any such co-operative organization succeeds, it may be taken for granted that it is principally owing to the exceptional business ability of one of the managers, and only in a very small degree to the efforts of the mass of workmen owners. This business ability is excessively rare, as is proved by the incredibly large proportion of those who enter upon the stormy sea of business only to fail. I should say that twenty co-operative concerns would fail to every one that would succeed."—ANDREW CARNEGIE.

erate business enterprises. Educate the worker, furnish him the opportunities for training and discipline, and productive co-operation will be a success. By what means, then, is the wage-earner to get this training, discipline, and education? We believe that it must come through profit-sharing based upon copartnership. Constant war between employer and employé has brought great loss to both. Such war can be, and ought to be, superseded by their becoming partners, so that both shall have an interest in the business in hand. The idea of industrial partnerships for the purpose of enabling workmen to participate in the profits of their labor is not by any means new. In many insignificant and obscure industries which the reader may find more particularly described or enumerated in the writings of Messrs. J. S. Mill and W. T. Thornton, the idea has long been carried into effect, in the mines of Cornwall and Cumberland, in the American whale-ships, in the mercantile navy of Greece, and in the trade in manufactured goods in the Philippine Islands. From these examples, as early as 1832, Mr. Babbage, the mathematician, in his very suggestive little book, "The Economy of Machinery and Manufactures," which anticipated more than one of the popular notions of later days, drew with great clearness and precision the principles of the scheme of "Industrial Partnerships," which have since been practically carried out both in England and France.

It is now about forty years since the distinguished Frenchman, M. Leclaire, first put into practice on any considerable scale the principle of participation by workmen in the profits of enterprise. As a condition of understanding the present working of Leclaire's institution, it is necessary to refer to those facts in his life which bear most directly on the development of participation. Edme-Jean Leclaire was born on May 14, 1801, in a little village in the central

part of France. The son of a poor shoemaker, he was removed from school at ten years old, with the scantiest knowledge even of reading and writing, and put to work, first in the fields, and next as a mason's apprentice. At seventeen, having arrived penniless and unfriended at Paris, he apprenticed himself to a house-painter. In three years he became a journeyman, and after seven more set up in business on his own account. In 1834 he was called upon to execute important works, and his success was definitely assured. No sooner was his own position as an industrial chief assured, than, with rare width and generosity of view, he threw himself into plans and efforts for raising the condition of his own workmen, and ultimately of the wage-earning class in general. The first impulse in the direction which his plan ultimately took came from a M. Fregier, who, in 1835, told Leclair that he saw no way to get rid of the antagonism which existed between the workman and master except the participation of the workman in the profits of the master. In 1842 Leclair announced his intention of dividing among a certain number of his employés a part of the profits produced by the work done. A part of the workmen saw in this nothing but a deeply-laid plan for reducing wages. When, however, Leclair, after collecting his participants, forty-four in number, threw upon the table a bag of gold containing \$2375, and then and there distributed to each his share, averaging over \$50 per man, it was found impossible to withstand the "object lesson" thus given. All hesitation vanished, and was replaced by unbounded confidence. On the profits of succeeding years larger sums were divided among increasing numbers of participants. Thus, during the six years from 1842 to 1847, inclusive, an average of \$3750 was annually divided among an average of eighty persons. The share assigned to each participant was proportional to the sum

he had earned in the shape of wages during the year for which the assessment was made.

Without entering into all the details of Leclair's project, it may be said to rest on two institutions, closely connected but separately administered, and capable of independent action—the house, or business undertaking proper, and the Mutual Aid Society, which provides the workman and his wife with the wherewithal to live in peace, without being a burden to any one, after regular conduct and assiduous labor. In 1869 he impressed a character of perpetuity on the house by making a formal deed which enacted that henceforth the net profits of the business should be divided in certain fixed proportions between the managing partners, the Mutual Aid Society, and the workmen forming the regular staff of the house. This decisive act of incorporation was preceded by an elaborate inquiry, in which every member of the establishment was invited to take part. Leclair lived to see his institution pass unscathed through the ordeals of the siege of Paris and of the revolutionary conflict of the Commune. He died July 13, 1872, of apoplexy, in his seventy-second year.

The present capital of the house amounts to \$80,000, one-half of which is the property of the two managing partners, while the other half is held by the Mutual Aid Society as sleeping partner. There is also a reserve fund of \$20,000, which can be drawn upon in case of an emergency. The annual profits made by the house are distributed as follows: The two managing partners receive \$1200 each as salaries for superintendence. Interest at five per cent. is paid to them and to the society on their respective capitals. Of the remaining net profit one-quarter goes to the managing partners, and one-quarter to the funds of the society; the remaining half is divided among all the workmen and others employed by the house, in sums propor-

tionate to the amounts which they have respectively carried in wages, paid at the ordinary market rate during the year for which the division is being made. Since 1871 the benefits of participation have extended to every one who worked for the house even for a single day. The following table shows the amounts paid in wages and bonuses to labor from 1870 to 1879:

Year.	Total of Wages.	Total of bonuses to Labor.
1870.....	\$80,285	\$11,655
1871.....	111,300	13,500
1872.....	145,415	17,650
1873.....	101,535	12,900
1874.....	120,060	15,600
1875.....	138,310	20,000
1876.....	139,715	22,500
1877.....	149,100	23,000
1878.....	142,730	26,000

These bonuses range from twelve per cent. to eighteen per cent. on amount of wages earned. They average for the nine years fifteen per cent., a very substantial addition to income. The Mutual Aid Society, besides bestowing a retiring life pension of \$200 per annum on every member who has attained the age of fifty years, and has worked twenty years for the house, further insures the life of every member for \$200, to be handed over to his family at his death. Conspicuous as are these material advantages, they are far from constituting the whole or even the principal good attached to Leclaire's beneficent institution.* Its founder recognized in the principle of participation not merely a means of improving the pecuniary situation of the wage-earning class, but also a powerful lever for raising

* For a detailed account of the *Maison Leclaire* see Mr. Sedley Taylor's work on "Profit-sharing," from which these facts are obtained.

their moral condition, and with it, of course, their social status. In brief, every workman is taught at every step lessons in self-control, in humanity, in impartial conduct, in judicial integrity. They know that the more expeditiously the work is despatched the greater will be the return on labor which will accrue to each individual workman. Accordingly, abandoning the system of organized waste of time so generally practised, they work with self-sustained energy during the hours of labor. The scamping of work and the introduction of inferior or defective materials are sternly discountenanced by the men themselves, because the reputation of the house and their earnings are at stake. They know that the wanton destruction of tools or materials is merely one way of throwing their own money into the sea. The whole history of this institution shows that the introduction of participation by workmen in the profits of employers admits of being recommended on purely economic grounds as a benefit to both the parties concerned. As Professor Fawcett has pointed out, the fundamental advantage of this and similar schemes arises from the circumstance that the benefit they confer is mutual; the share of profits received by the workman is a measure of the gain secured by the employer as a consequence of the additional efficiency given to Labor and Capital by introducing harmony where before there was antagonism and rivalry of interest. Not only is the loss inflicted on industry by strikes and lock-outs avoided, but a vast amount of waste is obviated. The copartnership does not require from the employer any sacrifice on behalf of his workmen, but, on the contrary, both are equally benefited. It is an error to suppose that the share of profits allotted to Labor represents so much abstracted from the returns of Capital.

Another example that may be mentioned is the case of

the Paris and Orleans Railway Company, which distributes a certain portion of the profits realized among the working staff of the railway, and it is unanimously affirmed by the directors that the plan succeeds admirably. The amount now distributed is equivalent to about ten per cent. on wages, the wages paid being the same as on other French railways. The plan has been in continuous operation since 1844, and the whole amount received by the employés of the company between that year and 1883 as their share of profits is no less than \$12,000,000. The dividend on wages, the sharing of profits, has always had the effect described in these instances—it pays. The dividend given to the worker is an investment designed to earn industry, faithfulness, honesty, and skill. It is not only justice, but profit. It wins the worker to the side of the capitalist and consumer, that he may be their friend. If he is one of them he works for their advantage.

It is estimated that there are now over one hundred and fifty firms in Europe working on the participating basis. Mr. Sedley Taylor notes its introduction with good results into agriculture; into the administration of railways, banks, and insurance-offices; into iron-smelting, type-founding, and cotton-spinning; into the manufacture of tools, paper, chemicals, lucifer-matches, soap, card-board, and cigarette-papers; into printing, engraving, cabinet-making, house-painting, and plumbing; into stock-broking, book-selling, the wine trade, and haberdashery. The simplest system adopted is that which distributes the work-people's share in the profits at the close of each year's account, without making any conditions as to the disposal of the sum so paid over. This mode of procedure is adopted by but a very limited group of firms, the most important among which is the piano-forte making establishment of M. Bord, Rue des Poissonniers, Paris. Participation was introduced

in 1865, in consequence of a strike, on the following basis : After deduction from the net profits of interest at ten per cent. as M. Bord's capital embarked in the business, the remainder is divided into two parts, one proportional to the amount of interest on capital drawn by M. Bord, the other to the whole sum paid during the year in wages to the workmen. The former of these two parts goes to M. Bord, the latter is divided among all his employés who can show six months' continuous presence in the house up to the day of the annual distribution. The share obtained by each workman is proportional to the sum which he has earned in wages, paid at the full market rate during the year on which the division of profits is made. The number of M. Bord's employés was, at the beginning of 1878, a little over four hundred, and the sums he had paid in labor dividends during three years are, £3784, £2874, and £3548, which represent fifteen per cent., twelve per cent., and sixteen per cent. respectively on the men's earnings in wages during those years. The total amount thus paid exclusively out of profits, since the introduction of this system in 1865, is £39,300. A diametrically opposite procedure is followed by many other houses in Paris. One of the largest insurance companies has allowed for thirty years past five per cent. on the yearly profits realized to its staff, which numbers about two hundred and fifty employés. No part of this share in profits is handed over in annual dividends. Each successive payment is capitalized, and accumulates at four per cent. compound interest until the beneficiary has completed twenty-five years of work in the house, or is sixty-five years of age. At the expiration of this period he is at liberty either to sink the value of his account in the purchase of a life annuity in the office, or to invest it in French government or railway securities. M. De Courcy, managing director of this company, is well

known as an ardent and eloquent advocate of this system. From the company's stand-point of view he alleges the increased permanence, steadiness, and assiduity which the deposit account has produced in its staff of employés, and instances in particular the redoubled efforts which they willingly make at the seasons of heavy pressure in business. "The institution," he says, "has now had thirty years of experience, that is to say, of unvarying successes. Each year, by augmenting the account of the employé, makes him feel more strongly the advantage of the deferred participation. Each year, too, the company appreciates better what it gains in fidelity in return for these sacrifices. My general principle is that there are no thoroughly satisfactory business transactions except those which are satisfactory to both the parties concerned. Experience has justified our institution from each of these points of view. It is excellent for the employés and excellent for the company."

The great majority of participating houses combine the systems previously described; they distribute a part of the employés' share of profits in cash bonuses, and invest the remainder for purposes of saving. Among establishments thus organized is the firm of Billon & Isaac, a joint-stock company manufacturing parts of the mechanism of music-boxes, at St. Jean, near Geneva. The system adopted rests on the following exceptionally liberal basis: after deduction of interest on capital and payments to the reserve and maintenance fund, the entire net profits are divided into two equal parts. One of these parts goes to the shareholders and the administration, the other part constitutes the portion assigned to labor. Of this latter sum one-half is annually distributed in cash bonuses proportional to wages earned individually during the year, and the remaining half is invested in the gradual purchase, for the respect-

ive beneficiaries, of £4 shares in the company, which carry with them votes at its general meetings. The following extract from a letter written by a workman in this establishment shows the results of the system :

“The undersigned has been working for the last eight years in this factory ; he has therefore had sufficient opportunities for observation in this respect, and he can testify that participations in profits has done real wonders in it ; one might even say that it has entirely altered the mode of life and habits of the workmen. Formerly, no one thought save of himself and of his individual interests ; quarrels about work were nothing out of the common way. Now, on the contrary, all consider themselves as members of one and the same family, and the good of the establishment has become the object of every one’s solicitude, because our own personal interest is bound up in it. It is with pleasure that one remarks how each man strives to fill up his time with conscientious effort to effect the utmost possible saving on the materials, to collect carefully the fallen chips of metal ; and how, if one or other now and then is guilty of some negligence, a joking remark from his neighbor suffices to bring him to order again.”

The above shows the feeling of the employés ; now let us see what the head of the establishment has to say. M. Billon, in 1877, after a thorough trial of the system, said :

“ We soon became aware of the good influence which the prospect of sharing in profits exercised on our workmen. An entirely fresh zeal for work and a lively interest in the house showed themselves among them ; a genuine solidarity was not slow in establishing itself, each man comprehending that all negligence in the performance of his duty was prejudicial alike to his colleagues and to himself. The task of superintendence became easy to us, and we were able thenceforward, without fear of offending any

one, to insist on points of detail to which we had hitherto been obliged to shut our eyes. Moreover, the feeling of security with which the attitude of our workmen inspired us permitted us to give ourselves up wholly to the development of our business. . . . It has often been said to us, 'You have not had difficulties with your workmen, thanks to good years. But let an industrial crisis arise, and great will be your embarrassment when you are obliged to dismiss your employés.' This contingency, which assuredly we had foreseen when organizing participation, has presented itself; and we can say henceforward that it has done nothing but confirm our faith in the principle."

We cannot more than name a few of the establishments in England which make concessions to the workmen in respect of profits: The Leeds Woollen Cloth Company, after giving ten per cent. to capital, gives one-half of the excess to the work-people; in the Oldham Iron-works Company ten per cent. first goes to capital, and the remaining profit, after providing a reserve fund, is distributed to shareholders, workmen, and customers in equal parts; the Ouseburn Engineering Company, the Uppermill Woollen Company, and the Paisley Manufacturing Society all belong to the same class. There have also been a number of experiments in industrial partnership in this country, notably the Pacific Mills, of Lawrence, Mass.; the Millvale Glassworks, New Jersey; the Peacedale Manufacturing Company, Rhode Island; and Messrs. Hazard, of New York.*

* A. S. Cameron & Co., manufacturers of steam-pumping machinery in New York City, began to divide profits with their employés in July, 1869, and continued the practice with marked success for eight years. It came to an end by Mr. Cameron's death, in 1877. The bonus was four and a half per cent. on wages each year, and did not operate to reduce wages; on the contrary, they were several times increased. It had a salutary effect on the men, morally as well as eco-

Three years ago Messrs. Charles A. Pillsbury & Co., merchant millers, Minneapolis, Minn., instituted an arrangement among their employes for the distribution of surplus profits among them. They wrote as follows concerning their methods:

“In explanation of the system we have adopted, would say, that for the past three or four years it has been our rule to set aside a certain percentage of our profits for the benefit of our workmen. We have included in it every man in our employ who occupied a particularly responsible position, without any reference to the time he had been in our employ; and also every man who had been in our employ five years or over, no matter how unimportant his

nomically, and presumably upon the business success of the firm. An industrial partnership which gave to employes an important share in framing the regulations and controlling the conditions under which they worked, as well as participation in profits, was formed at the close of the year 1869 by Brewster & Co., carriage builders, at New York, and dissolved in June, 1872, by the workmen joining the eight-hour strike. The dividend to labor was ten per cent. of the firm's gross profits. It was divided in proportion to wages. A relief fund was also maintained. By a thorough system of organization the employes had power to take care of their own interests, a member of the firm being president of the association. Of this arrangement the Massachusetts Report of Labor Statistics for 1886 says: “This arrangement, during the two years and a half of its continuance, gave entire satisfaction, and the excited action of the employes by which it was terminated was one of the strangest freaks of epidemic excitement on record. By the constitution of their association they had it in their own power, through their Board of Governors, to make eight hours a working day, which was the object of the general strike in which they joined. They seemed to have been literally crazed by the popular turmoil. They forfeited a dividend of \$11,000 which would have been due a month later, besides losing \$8000 in wages, and at the end of two weeks went back to work on the old plan of simple wages, without a single concession on the part of Brewster & Co.”

position might be. The division has been made strictly on the basis of the weekly salary paid to each employé.

“All we can say is, that we are more than pleased with the result. It has been our great pleasure to give our men very substantial checks, amounting generally to from twenty-five to forty per cent. of their salary for the year. If the writer (Mr. Charles A. Pillsbury) was to have had his own way in the matter he would have made the system a little broader, and have it apply to every man who has been in our employ for *three* years or over; but having commenced a system we dislike to change it, as it would make the amount to be received by the men who are now getting it under the percentage so much the less.

“We have never made any reduction in wages, notwithstanding the milling business has seen some pretty hard times; but men who are fortunate enough to have been in our employ several years are at least getting as high wages as they received when they first came in.

“In hiring new workmen we somewhat recognize the market-price of labor, but have never gone anywhere near the lowest market-price.

“We think a system of this kind generally adopted would go far towards settling the differences between Labor and Capital which are so much to be deplored by every one. While strikes are very often almost unjustifiable, and means and methods are pursued during them which cannot be defended, we think that there are but very few strikes where the reason cannot be traced back to the greed of Capital. We think there are few laboring men in this country so ignorant that if they think their employers are inclined to deal justly and fairly by them, they can be influenced by unscrupulous demagogues; but we are frank to admit that we doubt very much whether we have lost anything by the extra money we have thus distributed among

our men. Our business is of such a nature that it is largely dependent upon the extra skill and absolute fidelity of each and every one of our workmen, and we think we get the very best, most loyal, and faithful help in the world, and by inducing our old men to stay by us that we are getting back largely, if not entirely, all we pay out to them. At any rate, we can cordially recommend any one employing a large number of men to try the system for a few years and see how it works. We think they will not be troubled by strikes among their men, or anything of the kind, and peace of mind is certainly worth something."

Mr. J. G. Batterson, President of the New England Granite Works, at Westerly, R. I., in a recent letter to the superintendent of the company, sets forth a detailed plan for the division of the profits of the business between the capital and labor employed. Mr. Batterson suggests this plan because, as now conducted, the company at times has been "forced to decline orders of considerable magnitude, for the reason that we dare not run the risk of a strike, which might involve us in heavy damages."

His proposition is, in brief, that both Capital and Labor shall share in the net profit made on all the orders executed during 1886 by the company, in proportion to the amounts or values contributed by each. This net profit is to be determined by deducting from the gross receipts, first, the wages of the men employed as journeymen, which shall be paid monthly, and, secondly, the other expenses of conducting the business, superintendence, travelling expenses, clerk hire, taxes, insurance, and legal interest on capital employed. The amount left shall then be divided into three parts, one as a dividend to labor, one as a dividend to capital, and one to be reserved as a guarantee fund, to which shall be charged all losses by bad debts, or credits given for materials and labor during the year.

The labor dividend shall be paid before any dividend is paid to capital, and the time of payment shall be at the end of the fiscal year. The statement of the net profits shall be verified by a competent accountant selected and agreed upon by the parties in interest. As the labor dividend is for labor only, no officer, superintendent, overseer, clerk, or agent will participate in it; and no workman who is discharged during the year for good and sufficient cause—such as drunkenness or bad workmanship, or who leaves the employment of the company without consent of the superintendent in writing, shall be entitled to any share. Discharge because of mere lack of work for him shall not, however, deprive a hand of his dividend.

But the value of all labor contributed to the business for the year shall, for the purposes of a dividend, be treated as so much capital, "which capital, having been returned to the laborer in the form of wages, is still entitled to a share of the profits in just proportion to the amount contributed during the year in which such profits are made."

Mr. Batterson then describes his plan for the division of the dividend to labor:

"The true value of all labor contributed as aforesaid shall be determined by the amounts earned, and credited to each workman as wages for labor performed during the year; and the dividend to each will be declared upon the exact amount thus earned, and credited to his individual account. For example: suppose the entire amount of capital employed to be \$100,000, and the entire amount paid for labor during the year to be \$150,000. Such an amount of capital employed and wages paid ought to insure an output of \$400,000, and a net profit of \$25,000. Of this amount one-third, or \$8,333.33, would be credited to guarantee account to provide for an assumed loss of about two per cent. on the entire output; the balance would remain

for a dividend to capital and labor in proportion to their respective contributions—in this example two-fifths to capital (\$6,666.67) and three-fifths to labor (\$10,000), or 6.66 per cent. on each; thus the workman whose wages for the year amounts to \$1000 would have a dividend of \$66.66, and he whose wages amounts to \$600 would have \$39.96. This dividend to labor would also be materially increased, owing to the fact that all those who take work by contract, superintendents, clerks, apprentices, etc., do not participate; so that if each man's labor be treated as so much capital contributed to the business, that capital is not only returned to its owner as wages at the end of each month, but at the end of the year it is again reckoned and rewarded with a high rate of interest."

All outstanding accounts and bills receivable at the end of the year shall be treated as good under the guarantee account, and included in the net profits; and if this guarantee fund is not enough to cover the losses, the amount must be made up by the stockholders; while if it is more than sufficient, the surplus will belong to the stockholders, who will necessarily have control of the business; for "men employed every day in mechanical labor cannot watch the markets, or possess that aptitude for business management on a large scale which is requisite to success." Finally, work done or money earned by the aid of machinery will be counted to the credit of labor, and will share in the distribution of profits the same as day's work or piece work.

Commenting on this plan, Mr. Batterson says: "With the results of a long experience before me, I am convinced that the payment of fixed wages to a large number of men carries with it no inspiring motive to the attainment of a high standard of excellence, either as to the quantity or quality of their productions; but, on the contrary, it tends to in-

difference and laziness to such an extent that the measure of a fair day's work is not that quantity which can easily be done and well done by a good man, but that quantity which an indifferent man is willing to do and can do without much effort. The consequence is that the best men who are endowed with both energy and skill soon break away from the restraints of idleness, and by the 'bill of prices fixed for piece-work' obtain a larger freedom and a larger reward for their labor; and the fact appears also, that this system of compensating labor is most remunerative to the employer, which brings us to the point, that the average and indifferent workman does not earn his wages when tested by the standard of his own 'bill of prices.'

"I believe, then, most thoroughly in the efficacy of individual interest as the only available stimulant to natural ambition, and the best results both to Capital and Labor. When the interests of Capital and Labor are made identical and well balanced, I believe the conflict between them will cease, and both will be the gainers thereby.

"I sympathize with the laudable ambition of the skilled workman to emancipate himself from the thralldom of a service in which he has no other interest than daily wages, and who aspires to that identity of interest in results which begets self-respect and a worthy pride in the success of his own company or corporation.

"When the workmen are all interested in the results of their combined labor, there will be no room for those who are unwilling to earn, and fairly earn, the wages which they demand. When the industrious and skilful workman sees that his own earnings are being diminished by the slothful and unskilful workmen at his side, he will rebel, and demand, as he will have the right to do, that a better man shall be put in the place of the laggard."

Ara Cushman & Co., shoe manufacturers at Auburn,

Me., have just submitted a proposition to their employés, numbering seven hundred. The details are as follows:

The firm begin with the fundamental proposition that success in industrial enterprise depends on high managerial character and skill, thorough organization, faithful superintendence, the minimizing of waste, and faithfulness in the employé. It is well urged that in the degree of the hearty co-operation of all these elements of success, is success, especially in great enterprises, to be won. "We want," says Mr. Cushman, "to make the business more secure and permanent, and our relations with our workmen more fraternal. We want to avoid the feeling of jealousy and antagonism that often exists between Capital and Labor, with consequent loss to both. In short, we want to secure practical co-operation in spirit and letter, in a thoroughly organized, efficiently managed, and honorably conducted business, that shall result in the greatest possible 'gains and honors,' wherein every interest and every individual shall justly and equitably share. To accomplish these purposes and make them apparent to the employés, we shall first pay in wages the going prices, which we wish to be as high as they can be without lessening the volume of business which we all hope to see done in Auburn. Then, after setting aside a fair and just amount for interest on capital, risks and contingencies of business, depreciation of factory and machinery, and remuneration for managing the business, if any profit remain we will divide it with the employés and ourselves in the proportion that labor contributes to the cost of the goods, the dividend to be based on the amount earned by each."

The management of the business, it will be seen by the above, is entirely in the hands of the firm. At the same time three of the employés, to be selected or elected by the employés to represent them, are to be informed sufficiently

about the condition and results of the business at the end of each year, to enable them to report that the above promises have been correctly and faithfully carried out. These representatives are not to disclose or make public any fact concerning the business, except the amount or percentage of dividend available for the employés. They must all three be citizens of Auburn, and two, at least, must be owners of property and interested in the growth and prosperity of Auburn.

We do not risk anything in the prediction that such a scheme, thoroughly carried out, will prove a success. Participation furnishes to the workman a supplementary income under circumstances which directly encourage, or even, by a gentle compulsion, actually enforce saving, and by associating him in a very real sense with his employer it arouses aspirations from which great moral improvement may be confidently anticipated. The employer, besides sharing in whatever surplus profits are realized by the more efficient labor which participation calls forth, obtains the boon of industrial stability and the support of a united corporate feeling elsewhere unknown. Independently of these advantages to the two parties directly concerned, the customer of a participating house finds in its very organization a guarantee for enhanced excellence of workmanship and rapidity of execution.

Early in March of the present year the N. O. Nelson Manufacturing Company, St. Louis, made a proposition to divide the profits of the business with their employés. The proposition was accepted and a contract entered into, the details of which are as follows: The contract is for the year 1886, and is between the N. O. Nelson Manufacturing Company and their employés who have been in employment six months, and have not been discharged for misconduct or incompetency. After deducting its bad debts, and paying to

officers and employés their regular salaries and wages and all expenses of business, the company shall pay seven per cent. on its net capital in use. The remaining profits of the business for said year shall be divided, pro rata, upon the total salaries, wages, and capital employed. It shall be optional with any employé to draw his dividend so arising as aforesaid in cash at the expiration of said year, or he may receive a certificate entitling him to interest and to share in the future profits of its business, the same as the capital of said concern, so long as he continues in its employment; and should he cease such employment, he shall be paid its face in cash. A majority in number of employés may, if they choose, select some one to examine its books at the annual closing, to verify the account of profit and dividend.

The Bucyrus Foundry and Manufacturing Company, of Bucyrus, Ohio, by a vote of its board of directors, has adopted a system of profit-sharing. The system is adopted experimentally for the year 1886, the company reserving seven per cent. on its capital stock, and dividing all net earnings over and above this amount, in a certain ratio, between the company and its employés, each employé receiving an amount proportional to the wages paid him during the year. Men discharged for cause, or leaving the employ of the company on their own account, forfeit all right to their share of the profit, as do any employés who unite in any combination for the purpose of coercing the company or embarrassing its business.

A tobacco manufacturing firm in Dayton, Ohio, Messrs. Cotterill, Fenner & Co., have adopted a profit-sharing plan, of which the leading features are the following: From the net profits of the business the firm is to receive an amount agreed upon by all the parties to the agreement as compensation for capital, skill, services, and the good-will of

the business. This amount will, to begin with, it is stated, be seven thousand dollars less than the profits of the firm in 1884, and much less than the average profits for the last fifteen years. The employés are to be paid the same wages in cash each week as they have received heretofore. They will be subject to dismissal for cause by the foreman with the assent of the firm. Any one, in order to be entitled to a share in the profits of any year, must have worked for eight months of that year. The salary allowed the firm—salesmen, book-keepers, and workmen, is recognized as the measure of the services they have respectively contributed to the accumulation of profits, and they will share in the profits in proportion to such salaries. The dividends are payable in cash at the end of each year. The adoption of this plan is purely voluntary on the part of the firm, and “based on the conviction that it is our duty to place within the power of our employés means by which they can promote their own interests while laboring for ours.” They admit that they are not without hope of advantage to themselves, since the employés, having a direct interest in the prosperity of the business, may reasonably be expected to render as good service as they can, and contribute in every way they can to promote success.

An Omaha, Neb., firm of plumbers and gas-fitters, Messrs. Welshans & McEwan, have issued a circular stating that beginning with May 6th they will divide all profits, after deducting ten per cent. for interest on actual capital, equally upon a basis of the total amount of wages paid and the capital employed.

The profit-sharing idea has been adopted in the extensive establishment of E. P. Allis & Co., Milwaukee, Wis. The substance of the plan as suggested by Mr. Allis is as follows: “A written contract is entered into between myself and each employé joining the association, wherein the employé

agrees that a certain percentage—five per cent., more or less, as may be agreed—of his wages shall go to this investment fund, and I agree with him to invest precisely the same amount in the same fund at the same time, thus making the aggregate fund belong equally to employer and employés. This fund is to be managed by a board of directors from our works, chosen equally by yourselves and by myself, of which board I am a permanent member and president. In this way we have a fund in which we are equal owners, and equally responsible in its management, and secure the best judgment and greatest ability we jointly possess for the purpose. This fund, if the plan meets your approval and general adoption, is likely to be a large one in time, and its investment and use is left to the judgment of the board; and whether it is used in providing homes for members, in real estate investments, in interest bearing securities, or in industrial works to be operated in common, will be governed by the current of events, and in either case is practical co-operation. As this association is confined exclusively to my employés, and is intended for our mutual and equal benefit in all respects, I heartily commend it to you, and hope every one in my employ will become a member, with a view of making it a long step towards the solution of the troublesome labor question."

That the idea of profit-sharing is not a guesswork nostrum for a disease, but a reasonable and philosophically sound remedy for causes of discontent incident to the wage system, is shown by the favor with which it has been received by men of eminence and standing on both sides of the Atlantic. Only a few months ago Hon. David Dudley Field contributed an article on "Industrial Co-operation" to one of the reviews, in which he advocated the principle of association as a bridge over a chasm yawning wider and wider every day between Capital and Labor.

"To induce the capitalist," he said, "to take the laborer into this kind of partnership to which corporations are best adapted, may tend to the support and enrichment of both, and to the solution of that problem which now, more perhaps than any other, confronts the world. . . . If we were asked what inducements capitalists would have to enter into such arrangements, we should answer that, apart from the fraternal motives that are supposed to influence all the members of the human family, there are such economic reasons as these: that the scheme, if successful, would bind employer and employed closer together, lead the latter to strive more and more for the increase of the common product, advance his self-respect, do away with strikes, give security to capital, and heal the breach between Capital and Labor." Charles Waring, after recounting the success which has attended the introduction of the principle in England and France, says: "To the workman this change of system would prove an unmixed blessing. . . . The fortunes of the owner of capital and the owner of labor would be inseparable; they would mutually, and certainly more cheerfully, as being better able, bear the bad fortune of evil times. Instead of wrangling, as at present, over the wrecks and salvage of their fallen industry, they would brace themselves to the support of the joint burden, and by exercise of mutual self-denial and redoubled energy, perseverance, and intelligent invention, they would further economize the cost of production."

Dr. Simon Newcomb suggests, in his work on "The Organization of Labor," that the general indifference of the educated public to measures having for their object the elevation of the wage class, by instructing them in the general principles of social well-being, "must be looked upon as a potent cause of the abnormal state of things now in existence." He adds that "a very small division of the

annual profits of the establishment among the employés will do all that is necessary in the purely economical line. As a matter of fact, the plan is tried with entire success in many establishments here and abroad—establishments in which the employés would not think of turning against their superiors under any pressure whatever." Mr. Thomas Brassey, the great contractor, after mentioning many encouraging examples of this form of co-operation, says: "Any plan by which workmen may be made to realize that they row in the same boat with their employers should not be lightly set aside. It is good policy to forego a portion of the profits of a prosperous year, in order to avert the calamity of a strike, with all its attendant evils of loss of profit, and bitterness and strife between masters and men. Capital and Labor are essentially necessary and independent elements of production, and the man of business, not less than the philanthropist, must desire to see the representatives of these two interests allied." Lord Derby says: "It is human nature that a man should like to feel that he is to be the gainer by any extra industry that he may put forth; that he would like to have some sense of proprietorship in a shop or a mill, or whatever it may be, in which he spends his days; and it is because the system, introduced of late years, of co-operative industry, meets this natural wish, that I look forward to its extension with so much hopefulness. I believe it is the best and surest remedy for that antagonism of Labor and Capital which we hear so much talk of, and which to a certain extent no doubt exists." Dr. Francis A. Walker, in his work on "The Wages Question," not only regards the scheme as practicable, but adds: "I see no reason to doubt that such a relation will be introduced extensively with the most beneficial results."

Dr. W. T. Barnard, assistant to the President of the

Baltimore and Ohio Railroad, in a series of articles embodying the results of years of observation and experience, concludes with the following: "The proverbial conservatism and timidity of Capital make it slow to realize the logical sequence of experiments which have a vital bearing on its invested interests. The uniform success and increased prosperity which have attended industrial partnerships between capitalists and their workmen — practised more extensively on the continent of Europe than in England, and little or not at all with us—show to the disinterested, thoughtful mind that herein, more than in efforts in all other directions combined, excellent though their effect may be, lies the true solution of the gravest and most important question pending before the world—*i. e.*, how to equitably adjust the relations between Capital and Labor. Probably the serious contemplation of a division, no matter how minute, of their profits with those whose labor made them would incite in the minds of our railway share and bond holders such alarm and opposition as would displace any management advancing such a proposition; yet on one or more of the most important railroads in France judicious action in this direction has resulted in the employés becoming the majority owners of the securities of the properties they operate; and those corporations and firms in whose profits the workmen are allowed to participate have experienced increased prosperity and decreased migration and irregularity in attendance of the workmen, whose general standard of efficiency has been raised by the competition to share such benefits, and this unity of interests has entirely isolated them from the effects of labor agitations and turmoils. That the managers of such great interests as those of our railroads and mammoth manufacturing establishments who pioneer a reform of this character must possess great nerve and resolution as well as influence, goes

without saying; but the constant strife and competition now prevailing, necessitating most rigid economies, which almost always result in curtailment of wages and in strikes, must of themselves gradually force corporations to concert measures for securing permanent control of their forces, and none can be so effective as those that look to a community of financial interests. The manager who first succeeds in applying to his service the principle of industrial partnership will prove a Napoleon in the railroad world, and a dictator to all competitors. That some one competent, and of influence sufficient to direct such a movement, may shortly arise is not altogether improbable, for already the president of one of the great Eastern trunk lines, when recently recapitulating what his board of management had done to cultivate such attachment in its employés, said: 'I hope to see the day when this society will be extended into a great co-operative association; when the men in this service will individually have pecuniary interests in this vast property; when the men who run the trains and operate the machinery, and all others having steady employment, will be part owners in this great corporation; when they will in every sense be identified with and form a part of this company.'

Mr. F. H. Giddings, of Springfield, Massachusetts, who has given a great deal of time and attention to the question in all its bearings, says: "The industrial partnership at its best is the most perfect type of industrial organization. It combines ample capital, the highest business talent and labor on a basis of justice and mutual helpfulness. Before it can become a familiar institution, however, it must be recognized more clearly than it now is as a product of growth, and not the arrangement of a day. An employer who is impatient for immediate and striking results had better not experiment in this direction; but, on

the other hand, I have yet to hear of an industrial partnership that has disappointed expectations after a considerable period of patient effort intelligently directed. It is best not to promise or attempt too much at first. The bonus to labor must be made the basis of educative work, the employé being made to understand that it is the reward of increased interest and fidelity on his part. When this idea gets well rooted, the arrangement can be profitably extended and made more liberal, the most zealous employés being encouraged then to become stockholders in the company, and acquainted with its accounts.

“The most mischievous misconception in regard to profit-sharing, which is doing more to retard its extension than anything else, is the impression that in equity some ingenious plan must be devised to throw upon the workman a share of losses to offset his share of profits. It is forgotten that the dividend to labor is not paid out of the employer’s normal profit. It is paid usually out of the additional wealth created by the increased zeal and efficiency of the worker. In so far as it is increased by the adventitious profit due to an exceptionally favorable state of the market it is perfectly just, for the employé bears his full share of risk and loss. When profits are reduced wages are cut down, or perhaps discontinued. Furthermore, by our system of discharges in bankruptcy the bulk of the losses of productive enterprise is thrown on the community in such wise as to enter into the cost of production of commodities, and is added to retail prices paid by consumers, including, of course, the working-men. If only to remedy this unavoidable injustice, profit-sharing should be established.”

Hon. Carroll D. Wright, Commissioner of the Bureau of Labor for the United States, in his first annual report, considers at some length suggested remedies for business

depressions, and concludes with the following significant statements:

“What is known as industrial copartnership, involving profit-sharing and embodying all the vitality there is in the principle of co-operation, offers a practical way of producing goods on a basis at once just to Capital and to Labor, and one which brings out the best moral elements of the capitalist and the workman. This system has been tried in many instances, and nearly always with success. In the United States but little has been done in this direction, but wherever the principle has been tried there have been three grand results: Labor has received a more liberal share for its skill, Capital has been better remunerated, and the moral tone of the whole community involved raised. Employment has been steadier and more sure, conflict ceases, and harmony takes the place of disturbances.

“Profit-sharing and organization of all the forces of industry would aid in securing a more just division of the profits of production, and one of the first advantages to be gained would be a reduction in the hours of labor, considered by many as the only solution for the labor troubles, and the great panacea for industrial depressions. It is certain that, under the present conditions of manufacturing through the aid of machinery, the hours of labor ought to be reduced, because the draft on the human system necessary to enable machinery to be well operated is so much greater than under hand processes.

“There is no contest between Labor and Capital, nor between the laborer and capitalist as such, but there is a contest between the latter as to the profits of capital and wages of labor, or, in simple terms, as to the profits each shall receive for his respective investment, and this contest will continue so long as the purely wage system lasts. It is absurd to say that the interests of Capital and Labor are identical. They are no more identical than the interests

of the buyer and seller. They are, however, reciprocal, and the intelligent comprehension of this reciprocal element can only be brought into the fullest play by the most complete organization, so that each party shall feel that he is an integral part of the whole working establishment."

Under the system of participation in profits there are advantages to the employer which may be summed up as follows: First, in the additional security of his capital arising from the division of his risks with his workmen; second, in his immunity from the exactions of workmen, which, owing to the action of trades-unions, are becoming more formidable; third, in the saving of the cost of the war of wages; fourth, in the cordial co-operation and harmonious working of all hands, which will be induced by their common interest in the proceeds of their labor; fifth, in the augmentation of those proceeds resulting from the incentive of the men to work more and more intelligently when working for themselves than when doling out their unwilling labor and dawdling their time away under the system of fixed time and fixed wage. To the workmen this change of system would prove an unmixed blessing. Under it he would become a partner instead of a servant, and would be thus entitled to an equitable share of the profits of the partnership. If his profit under it were limited to his share of the cost of strikes which would be saved, and the increased profit arising from the substitution of willing and intelligent labor for labor grudgingly and mechanically performed, the result of which he would share, the change would be amply justified. His profit is, however, not so limited, since he would participate in all the profits derived from the industry in which he would be engaged. The owner of capital and the owner of labor would be linked together in the bonds of union and fellowship. Their fortunes would be inseparable.

CHAPTER X.

TRADES-UNIONS AND ARBITRATION.

DISTURBANCES of the relations existing between Capital and Labor by strikes and lock-outs may be anticipated for many years to come, even if it be agreed that they are avoidable under enlightened conditions of civilization and industry. In his "Manual of Political Economy," Hon. H. Fawcett, M.P., holds that it is as hopeless to expect that legislation can prevent strikes as it is to suppose that merchants could be compelled to sell their goods if an adequate price were offered for them. He explains his views in this way: "As long as the relations between employers and employed continue to be analagous to those existing between the buyer and seller of a commodity, it must often happen that the one party will refuse to accept the price which is offered by the other for labor; if the refusal is persisted in, a strike inevitably ensues."

But while it is true that human nature is much the same in all ages, and while it is likewise true that the relations between Capital and Labor very nearly correspond to those existing between the buyer and the seller of a commodity, such reflections need not, and fortunately do not, signify to an enlightened civilization that wages disputes can only be settled by a test of brute endurance. Most men are reasonable—the necessities of advanced industry on the one hand and of dependence upon current wages on the other compel them to be so in many cases. And while no law could be tolerated that, unasked, would step in between

employer and employé, and force a settlement of their differences, this fact should not discourage efforts in the direction of legal arbitration. Every State in the Union can provide the means for legally settling labor disputes, leaving it to the contending parties themselves to decide whether they shall avail themselves of such means or not. Public sentiment throughout the country is very generally in favor of the enactment of such laws, on the ground that if they can serve no useful purpose because they are not often enough appealed to, they can, at least, do no harm. Moreover, it should not be forgotten that it requires time and opportunity for laws of this kind to make their presence felt—the aggressiveness of the criminal code is entirely wanting in them. People must learn, after the manner of learning in some of the European States—by degrees—that industrial arbitration under forms of law may attain a high standard of efficiency and excellence if properly encouraged. Again, time must be allowed for disarming the suspicion which many entertain that legal arbitration is covert invasion of private rights, and as such should be discouraged at all points. Earlier in the history of the human race the prototypes of this class would have insisted that no man's life or estate should be left to the disposal of a court of law.

But, on the whole, legal arbitration has made steady headway in this country; at the same time it must be confessed that legislatures have done more to advance it than have the employing and employed classes. In those States, particularly Pennsylvania and Ohio, where boards of arbitration may be created upon application to existing courts of law, the instances are not numerous in which such boards have been called into existence. Hence it happens that the merits and demerits of the new laws have gone practically untested, both Capital and Labor preferring to ad-

here to the ancient plan of exhausting resources to determine which is right, or else settling between themselves by compromise. In Ohio the law was enacted February 10, 1885, to "authorize the creation and to provide for the operation of tribunals of voluntary arbitration to adjust industrial disputes between employers and employed." It is a model law of the kind, and we shall briefly describe its chief provisions.

It provides that upon the application to the Court of Common Pleas for a county of four employers and forty workmen, or of an employer of forty workmen, together with the latter, the court shall issue a license for the establishment of a board of arbitration within the county, and for the trade represented by the applicants. The board created under this license shall consist of an equal number of employers and workmen, not less than two on each side, and shall continue in existence one year. Its officers shall consist of a chairman, a secretary, and an umpire, the latter, as well as the two former, being chosen by the board itself. The duties of the umpire shall be to act after disagreement is manifested in the tribunal by failure during three meetings to adjust differences; and his award shall be final and conclusive upon matters submitted to him in writing, and signed by the whole of the members of the tribunal, or by parties submitting the same. The members of the tribunal receive no compensation for their services, except such as may be paid them by voluntary subscription. A room in the county court-house, however, is provided for them as a meeting-place, and light and fuel are furnished them free. Attorneys-at-law or other agents of either party to the dispute are not permitted to appear or take part in any of the proceedings of the tribunal, or before the umpire. If the award in any dispute is for a specific sum of money, it may be made a matter of record by fil-

ing a copy of such award in the Court of Common Pleas of the county in which the board is sitting. When so entered for record it shall be final and conclusive, and the proper court may, on motion of any one interested, enter judgment thereon; and when the award is for a specific sum of money, may issue final and other process to enforce the same.

The Pennsylvania law, generally known as the "Wallace Act," which was passed in 1883, is the first piece of legislation in this country practically indorsing the principle of voluntary arbitration. The law simply gives official birth to the tribunal, and invests it with power of investigation of disputes where they are voluntarily submitted. The submission of all questions under the law being purely voluntary, and the awards having no legal or compulsory force, its principal value is in giving character, official bearing, and system to tribunals acting under it. Its sessions and proceedings are under the eye of the public. Bills providing for voluntary arbitration are now pending in Iowa, New York, New Jersey, and Massachusetts.

In England, since 1824, there have been in force three statutes providing for arbitration in industrial pursuits. Under them tribunals with compulsory powers and processes were created, but they still remain dead letters. Laborers and capitalists alike avoid them, preferring to settle their differences by means of boards, whose findings have merely the force of a fair and intelligent judgment. Acceptance of such judgment is entirely voluntary, but it is seldom rejected. All the experience and history on this question is uniformly to the effect that the only successful arbitration between Labor and Capital in the past has been purely voluntary. Mr. J. D. Weeks, in his report on arbitration in England to the Governor of Pennsylvania, said, "The large number of differences that have been settled by

arbitration in Great Britain in the last eighteen years have all been voluntary in their submission and in the enforcement of the award." Prof. W. S. Jevons, the eminent economist, referring to arbitration, said, "All available evidence tends to show that voluntary boards of arbitration must be purely voluntary bodies. . . . In all probability success will be best obtained in the settlement of trade disputes by keeping lawyers and laws as much at a distance as possible. There must be spontaneous, or at least voluntary approximation of the parties concerned. It is a question not of litigation, but of shaking hands in a friendly manner, and sitting down to talk the matter over. The great evil of the present day is the entire dissension of the laborer and the capitalist; if we once get the hostile bodies to meet by delegates around the same table, on a purely voluntary and equal footing, the first great evil of dissension is in a fair way of being overcome."

Edward Trow, Esq., one of the secretaries of the Board of Conciliation and Arbitration for the Manufactured Iron Trade of the North of England, in a recent letter to the editor of this book, said: "Trades-unions were the result of oppression on the part of the employers, whose acts compelled men to organize in self-defence, and after their formation we had many very severe conflicts between Capital and Labor, in many cases such conflicts inflicting misery and suffering on thousands of helpless wives and children, and ruin upon employers. The result of these labor wars in no case proved who was in the right, but, ending in victory for the strongest, left the trade demoralized and paralyzed, and created hatred in the hearts of the defeated, who accepted defeat with a stubborn determination at the first opportunity of taking their full revenge. Arbitration was the result of the efforts of the late Mr. J. Kane and other trades-union leaders who saw the evil effects upon trade and

the trading community of the barbarous system of strikes and lock-outs, and in 1869 delegates representing the workmen in the North of England, acting under the advice of Mr. Kane, and employers of the district acting under the advice of Mr. D. Dale, met together and decided to establish a board of conciliation and arbitration at which both parties could meet together, discuss freely and fully every question, bring the light of reason to bear upon all and every point of difference that might arise, and create a feeling of confidence between employers and employés. From 1869 up to the present the board then established has continued to exist, and during the whole period it has been a boon and a blessing to employers, employés, and the whole district. In prosperous or inflated times it has prevented men from taking undue advantage, and insures the continuance of work in depressed times; it has prevented unjust employers from taking undue advantage of workmen, and compelled them to prove by facts before an independent arbitrator the justice of their demands, and I have no hesitation in stating that the benefit and success of the system of conciliation and arbitration for settling disputes over the old and barbarous system of strikes and lock-outs, as proved by the history of the North of England board, fully establishes the utility and adaptability of the system, and no parallel can be found in the history of trade, at any period previous to 1869, where disputes have been settled so advantageously, or such good feeling has existed between employers and employés. But to make arbitration successful there must be mutual confidence, a determination to be guided by facts, and both employer and employés must in honor accept and carry out every award, favorable or otherwise. I feel convinced we have not yet reached the millennium of trade, and that we shall continue to progress; and the ultimate result of trades-unions and arbitra-

tion teachings, aided by the superior education now given to working-class children, will be productive co-operation and industrial partnership, when every man employed will have a direct interest in the labor he performs, when the profits will be more evenly and justly distributed between Capital and Labor, caste in a great measure destroyed, the gulf between Capital and Labor bridged over, and we shall have fewer Rothschilds and fewer paupers."

Contrary to the impressions of many, there has been no more active force in society than trades-unions in advocating and sustaining the system of peaceful arbitration between workmen and employers. It is an article of the constitution of almost every labor association in Great Britain and the United States to advocate in every dispute a submission to peaceful adjustment; and it is this influence that has made voluntary arbitration a settled question and a practical institution in England. In his work on "Arbitration between Capital and Labor," Mr. Ryan only expresses a general conviction when he says that "the trades-unions are a powerful assistant to honest and thorough arbitration, as well as to a just examination of the dispute. Their systematic method of collecting and preserving the statistics of labor makes the information within their knowledge very important. They are the natural channels to direct the arguments and force of the figures of wages before a tribunal of arbitration. Again, they are invaluable as one of the influential factors in preventing the repudiation of an award."

Judge Rupert Kettle, of England, who for ten years devoted most of his time to arbitrating industrial disputes, says that he found in the trades-unions a most valuable adjunct to popular sentiment in confirming and accepting an award. Mr. Mundella had to admit some time ago that arbitration lost all its force and all its virtue unless

there were trades-unions for the employers to deal with. The employers must have some responsible organization to deal with. It is an encouraging sign, in this connection, that the working-men desire the passage of a law by Congress giving the trades and labor unions the right to become chartered under the general laws of our government. Their reasons may be briefly stated: The laws written and now in operation to protect the property of the capitalist and the moneyed class generally are almost innumerable, yet nothing has been done to protect the property of the working-men—the only property that they possess, their working-power, their savings-bank, and trades-union; and they ask that their existence as organizations may be legalized, not for the purposes of strikes, but for such reasons and objects as have been recognized in England and France. Mr. John Jarrett, of the Amalgamated Association of Iron and Steel Workers, in his testimony before the Blair Committee said he believed that if there was a national law whereby trades-unions could be incorporated, instead of having to take out a special charter in the State where the rolling-mill is, it would be better for all concerned.

With a view of ascertaining the opinions of a few representative men on the subject of the national incorporation of trades-organizations as a means of rendering practical some form of legalized arbitration of differences between Capital and Labor, the following questions were submitted:

1. The national incorporation of trades-organizations?
2. The desirability of legalized arbitration of differences between Labor and Capital?

JOSEPH D. WEEKS, Esq. of *Pittsburg, Pa.*, the *Pioneer Advocate of Industrial Arbitration in the United States.*

“I can see not the least objection, but everything desirable, in the incorporation of trades-organizations; and if

anything is to be gained by making these organizations national I see no objection to it. I have usually found, however, that there is a strong objection to incorporation in the ranks of labor. It is an impression very prevalent that an incorporated body must make certain statements which might at times be prejudicial to the interests of labor. This, however, could be avoided. I have no faith or confidence in trades-organizations brought into existence on the spur of the moment and for temporary purposes. The only trades-unions that dare be fair and just are those that are strong in numbers and in financial ability, and have a past to preserve and a future to care for.

“2. As to legalized arbitration, I have not the least confidence in it. I do not believe it can be made a success in countries in which the genius of people and institutions is similar to England and the United States. Where the question involved is one as to the interpretation of past agreements and payment for work already done, the question is a question for the courts, and here legal arbitration might be of some value; but where the questions involved relate to future contracts, legal arbitration is not of the least value. The measure of success in arbitration under such circumstances is the consent of the parties to the issue, and it is beyond the power of courts or law to in the least degree compel the acceptance of awards.”

Hon. FRANK A. FLOWER, Chief of the Bureau of Labor and Industrial Statistics for Wisconsin.

“I fail to discover the propriety of the first proposition. Each State, as I understand it, grants charters and issues articles of incorporation in language and under restrictions peculiar to itself. This is a prerogative that, in my humble opinion, should never be taken from the States. Some trades-organizations in this State are now incorporated,

and all may be, if so disposed. The fee is small, and obstacles none.

“The second is a more vital proposition. Successful courts of arbitration, such as you propose, can never be, in my opinion, those which are both local and temporary. In the first place, strikes and the matter of wages are frequently controlled by a power residing outside of the State. We have here a nailers’ strike that has been going on for over nine months, yet it did not originate and is not controlled in Wisconsin. In the second place, little local courts of arbitration, appointed from time to time, as occasion may require, will hardly be free from the prejudice and suspicion with which all such tribunals are more or less invested.

“The courts which you propose should, I think, be presided over by our present federal judges. Such a plan would entail little or no extra expense upon the people, would insure a uniform rule of practice, the attendance of recalcitrant witnesses, and the enforcement of judgments.

“For years and years arbitration has been a practical failure in Great Britain, and I fear that no system can be devised in this country that will meet the expectations of the laboring classes. Anything that cannot prevent strikes and lock-outs can hardly be expected to settle them satisfactorily after they have been inaugurated. Nevertheless, if those who toil, and who too frequently are underpaid for their labor, desire courts of arbitration, I am in favor of providing them. And if we have any at all, they should be under federal control, so as to be uniform, stable, learned and respected. Our State constitution provides for ‘courts of conciliation,’ but I do not think they would be either as effective or as nearly satisfactory as tribunals established by Congress and uniform for all the States.”

Hon. OSCAR KOCHITZKY, Commissioner of Labor Statistics and Inspection for the State of Missouri.

“A law providing for a national incorporation of trades-organizations appears to me to be a new departure, and as to its benefits extremely doubtful, and ought to be very carefully considered before being adopted. Why should trades-organizations be incorporated in a different way to all other corporations and companies? Is not incorporation under our State laws as good for one as for the other? and would not national incorporation of trade-organizations have the tendency of bringing all labor disputes before a national tribunal for settlement? I think it would be a long step towards unnecessary centralization of power in the national government. The large extent of the United States, and the diversity of industrial pursuits in the various sections of this country, ought to be taken into consideration, and this matter be left to the States to be taken care of.

“Legalized arbitration will be of benefit, provided the power of boards of arbitration is restricted. A State law providing for the organization of boards of arbitration, upon request from either party in dispute, would certainly be beneficial and accomplish much good. The person selected by the State for the purpose of organizing such boards of arbitration might well be directed by law to be an *ex-officio* member of each board organized, as his experience accumulated by being a member of each board would be of great value to the inexperienced members, who would naturally be acting in a new rôle. A board of arbitration recognized by a State law, but voluntarily called, selected from citizens of the locality where the dispute exists, citizens disinterested, known for their honesty and business capacity, will be sustained in the decision it may

give by the public sentiment of the community, and will, in nearly all cases, be accepted.

“Our legislators ought to be careful in enacting new laws, and thereby complicating the questions between Capital and Labor still more. The prospect is fair that Capital will soon see and appreciate the advantage to be gained by a division of the profits with Labor, and with the increasing favor in which co-operation is considered, better times can be expected.”

Hon. DANIEL J. RYAN, who, as a Member of the Legislature, prepared and introduced the Ohio Bill providing for the Creation and Operation of Voluntary Arbitration.

“1. I am in favor of the national incorporation of trade-unions. As they are co-extensive in existence with our national territory, they should operate under national laws. It will tend to fix their liability to their membership, and to increase their stability. There are some States where they cannot become incorporated, but it is not so in Ohio. Their vast and increasing membership, the accumulation of large funds, and their semi-benevolent character, all make them a proper subject of national legislation.

“2. On the desirability of legalized arbitration between Capital and Labor the question is a little ambiguous. If it means to inquire whether a system of arbitration regulated by law in its operation, and providing by statute for the erection of boards, their membership, method of selection, etc., I favor legalized arbitration in that sense. But if it means arbitration which is compulsory under the law, and whose decrees are made binding in every case by statute, it strikes me that such arbitration is not the best nor the most practicable. In fact, all evidence, observation, and experience is to the contrary. There can be no true arbitration but that which is voluntarily entered into. There

can be no investigation of the differences between workmen and their employers unless both join for that purpose. You can see that such arbitration is the true and only method of settling industrial disputes. Any law by either party that can drag the other into the courts or into a board of arbitration will certainly be inoperative; for after the award or decision is given, how can you enforce it? There is no human agency known, legislative or otherwise, that can compel working-men to work at wages that do not suit them; neither is there any power in the wit of man to devise a law that will compel the manufacturer or operator to run his industry if he does not want to. So there is no use talking about compulsory arbitration. At present there are three laws on the English statute-books providing for compulsory arbitration. There has never been a single case arbitrated under them. Why? Because when parties are compelled to arbitrate it is not arbitration. You might just as well talk of compulsory charity. However, there are some awards that may be made enforceable at law. All those relating to past money matters and contracts, but never decrees as to existing differences on a future line of conduct, may be carried into effect by law. As I stated in the beginning, I am warmly in favor of statutes which provide a system of arbitration. The principle is then made operative and practicable. The boards of arbitration thus constructed become public and semi-official bodies. Public sentiment is attracted to their proceedings and awards, and their decrees become strengthened and approved by a strong public opinion, which has much to do with their acceptance."

Hon. FRANK H. BETTON, Commissioner of Labor Statistics for the State of Kansas.

"To the first question asked I must return an affirmative answer, and will try briefly to state my reasons for the

'faith that is in me.' Primarily, the whole tendency of the age is towards consolidation. For the last twenty years corporation after corporation has been organized, until nearly every branch of business is more or less represented by joint-stock companies in lieu of the old-fashioned 'firms.' For instance, the Smith & Jones Hardware Company has superseded Smith & Jones, dealers in hardware. While the dry-goods copartnership of Brown & Robinson gives place to the Brown & Robinson Consolidated Textile Fabric Emporium. Smith & Jones or Brown & Robinson may own all the shares in their respective companies, and usually do own most of them. Still the actual number of shares are designated, and the laws of the dry-goods corporation are substantially the same as the laws of the railroad corporation.

"Tracing this tendency of the age to its source, we find that it came into being, at least in this country, with the introduction of steam as a motive power, the rapid multiplication of improved machinery, and the consequent growth and expansion of manufacturing industries. When the fathers framed our federal constitution, Mr. Brown was the head of a firm. He sat in his counting-room and directed its affairs; he was personally acquainted with his employes, probably had known most of them from boyhood, possibly worshipped at the same altar with their parents, and when Mr. Brown died his accumulations were divided among his heirs, the firm disappeared or passed into other hands. Likewise Mr. Smith in his shop knew his apprentices and knew their fathers; they were neighbors, and oftentimes friends. Death ended, or at least greatly changed, the particular manufactory, or the particular mercantile establishment. So, when the laws of land entail were prohibited, our constitution framers had provided for the main evil that in the light of their age threatened the future of the

young republic. Mr. Brown of to-day dies, but the Brown Manufacturing Company keeps right on, not even suspending its operations long enough to attend Brown's funeral. Rules governing the conduct of the establishment have been made by the able superintendent, whose term of employment and the amount of whose salary depends upon the amount of dividends he is able to present to Brown and his partners, or, in modern parlance, his brother shareholders. The 'hands' possibly never saw Brown, and regard him with very much the same vague feelings of awe they award the Deity—a power capable of affecting their lives for good or evil.

“Under the old regime the generic term ‘hand’ was practically unknown. Employers knew and were known by their employés. Our people were mainly agriculturists and merchants, but with the introduction of the first cotton-mill and the first railroad began the change. At first the line of divergence was slight and unnoticeable. The spindles of the Lowell mills were tended by Yankee farmers' daughters, and the management looked after their welfare, while business men and farmers constructed the few miles of railway that constituted their ‘line’ with money taken from their own pockets, each ‘share’ usually representing one hundred dollars of honest money, fully paid up. Fifty miles of railway represented a big corporation in those primitive days, and the farmer shareholders met annually at some central point on the line and personally deposited their ballots for the directors whom they chose as their agents for the ensuing year. Still these railroads and these factories were corporations, and carried the seed out of which has grown our later troubles, and which seem destined to eventually revolutionize our entire industrial system.

“The tendency of the age is towards the combination

of each industry for the protection of its special interest. Nearly every class holds annual state and national conventions for this purpose. I notice only to-day that the retail boot and shoe dealers of the United States have organized a national association, and provided that four or more establishments engaged in this trade, located in the same city or town, may form a subordinate branch. The laws of many of our States provide that five or more persons may organize and procure a charter for the prosecution of almost any enterprise under the sun; and interstate organizations receive national recognition. To borrow a phrase familiar to boards of trade, we are 'long' on corporations. The representatives, or at least the supposed representatives, of money are recognized and indorsed both by the States and the nation, and are authorized to combine for specific ends, which in nearly every instance can only be accomplished by the employment of other men's muscle and other men's skill.

"If our governments, state and national, recognize the right of Capital to combine for the purpose of employing labor to achieve certain results, I can see no good reason why the working partner—the chief factor in the achievement—should not also receive governmental recognition, and be authorized to name what in his judgment should be his share in the emoluments to be gained. If the sum named cannot be mutually agreed upon, the bargain would simply not be consummated and the chartered company prove barren of results. The bound bundle is harder to break than is the single stick, and when the bundle receives governmental recognition in the form of a charter, it seems reasonable to suppose that its chances to cope with that other bundle which has so long enjoyed a monopoly in the charter business will be perceptibly increased."

JOHN COUGHER, Esq., *Assistant Commissioner Kansas Bureau of Labor.*

“ Arbitration to be of much benefit should not only be legalized, but provision should be made for the enforcement of the decision of the arbitrators. Man is endowed with no so-called natural rights except breathing, sleeping, and taking nutriment; all others are denied from associations. Among the latter are the rights of producing and accumulating wealth. The rich man's millions are the result of the poor man's diligence in creating values. Neither are independent, both are interdependent. Their success depends upon harmonious association, and the welfare of the community is the result of both parties carrying out their mutual obligations in harmony. When disagreements arise, resulting in strikes, lock-outs, and boycotts, it is the duty of society to interfere and compel a settlement by the best and most effective method known, which at present is recognized as legalized arbitration. Both parties are under obligations to the source from which they derive their rights, privileges, and protection. Neither of the prime factors of production—Capital and Labor—should be permitted to indulge in a destructive strife that would bring disaster upon the community, merely for the purpose of obtaining a selfish advantage. The wealthy should learn that the safety of their possessions depends upon the fairness with which they treat their industrious employés; and it is the duty of society to see that for opportunities conferred a proper regard for its interests should be returned. That a system of amicable adjustment can be arranged that will do away with the troubles that now afflict our industrial system does not admit of a doubt. But in order to be effective, where mutual agreement cannot be had, coercion must be resorted to. The fact cannot be denied that

Capital is constantly watching for opportunities to make exactions upon Labor, that a surplus of the latter is speedily taken advantage of to compel a lower rate of recompense; while, on the other hand, Labor never loses an opportunity to strike at a weak point in the armor of Capital. It is a never-ending conflict between a hungry stomach and a plethoric purse, with most of the advantages on the side of the purse.

“When the conflict becomes destructive in its character why should not society, through the law, step between the combatants and compel a peaceful settlement of the difficulty, just as it does in cases of disagreement of any other character. To deny that it has the right to do so is to deny the right of self-government and self-protection.”

Rev. C. R. HENDERSON, D.D., Detroit, Mich.

“1. The national incorporation of the trades-organizations. My thoughts on this subject are not fully matured for expression. Generally speaking, I am in favor of giving to the organizations of laboring-men privileges at least equal to those given to corporations of capitalists. It was a great step in advance when the Friendly Societies of England received legal recognition. I would not favor giving government patronage to any corporation, but simply largest liberty of social action while the public peace is conserved.

“2. It seems that ‘legalized arbitration of differences between Labor and Capital’ must come soon. The mine owners and manufacturers of England have seldom thought the ‘state of trade’ justified the abandonment of child labor and other iniquities until taught by statute. There have always been noble capitalists who could see through the mists of prejudice and custom; but a small minority can make a reform almost impossible by holding out. Such

reforms must generally be made general by legislation, in order that a few pig-headed and marble-hearted men cannot defeat the generous impulses of the majority. There never was an age when the strong-minded 'princes of industry' were so tender and considerate as now, but sometimes even a large majority need stimulus and help from legislation. Philanthropy and newspaper discussion did not force a few employers to put up fire-escapes for the protection of their hands; but a city ordinance, with a penalty, helped the recalcitrant minority to be humane. A few barbers compel all the rest to work on the universal rest-day.

"Legalized arbitration will hasten 'profit-sharing,' because it will make the claims of wage-earners more respected, and more closely identified with the interests of employers. I am glad to see evidences on all hands that the reign of sheer competition draws to a close, and that the reign of voluntary co-operation dawns. For the despotism which masquerades under the name of 'socialism'—that kind of socialism which aims at absorbing all individual and private functions in an all-powerful State—we have a promised substitute in co-operation. Legislation may aid in making legislation ultimately unnecessary. But the present strained relations ought not and need not be perpetuated. For the socialism of Maurice and Kingsley I have great respect."

Hon. C. V. R. POND, Commissioner of Labor for Michigan.

"The pertinent question of the hour is, How shall a conference committee or a court of arbitration be made up? If a committee of wage-workers would meet their employer and be met by him in a spirit of fairness, with a determination that their differences should be amicably settled, no other plan would need to be suggested. But

both being interested parties, they do not always look upon each other (as they should) as members of the same business family, whose differences should not go beyond themselves. If, on the part of the wage-worker, a committee is made up from members of a secret organization to which they belong, and that committee seeks to adjust existing differences, the probable chances are that the employers will not meet them, and in many instances they would be justified by candid people in their refusal. Such a committee, made up of men who are not wage-earners, but possibly professional politicians, or if wage-earners, not altogether without prejudice against the employers whom they are to meet, cannot be successful. Two of the longest and most costly strikes of 1885 in Michigan prove this position to be true. Employers are willing to meet wage-workers honestly interested in settling differences of their fellow-men, but they repel the approach as arbitrators of men who are known as demagogues, and therefore the foe rather than the friend of the working-men. A clause in the constitution of the Knights of Labor calls for a settlement of differences by arbitration. We believe that such a desire is honestly expressed, and that any plan by which a committee of arbitrators, satisfactory alike to employer and employé, could be put in operation would by that organization be approved. The suggestion has nothing new or novel in its construction as relating to a system or plan for arbitration, and yet we believe that in all cases of differences between employer and employé, after failure to settle between themselves, and before a strike shall be resorted to, the subject of difference should be submitted to a board of three arbitrators, whose decision should be accepted by the parties in difference as final and satisfactory, without prejudice against the further continuance of their business relations. The appointment or selection of such

board of arbitrators should be the choosing of one person by each party to the difference, one of said persons to be a wage-worker, and the two persons so chosen to choose a third person. If the two representatives of employer and employé should fail to agree upon a third person, then the two representatives should be dismissed and two other representatives chosen, who should choose a third person, and thus constitute a board of arbitration. To make the foregoing plan effective, legislative action has no part. There must be an understood agreement between employer and employé at time of arranging for season's work, that should a difference arise between them relating to the subject of Labor or its remuneration, then arbitration as above shall be the agreed remedy.

"I have said in the above, to make the foregoing plan effective, legislative action has no part. I mean by that, in bringing about an agreement no legislative action is necessary to force it. Possibly it might be wise to compel by law the fulfilment of the agreement, whether the above plan is practical or not. I believe most positively in arbitration as the great remedy for all troubles between Capital and Labor. Slight differences are often the cause of great troubles. We want a system of arbitration that can be applied the moment disease appears—something that will drive it away, and not simply heal after it has racked the body. If legalized arbitration is the essential, give it to the public at once."

J. O. WOODS, Esq., *New York, Secretary of the Institute of Social Science.*

"While the first proposition seems a wise suggestion, its acceptability would depend very much on the provisions of incorporation. Should it offer exceptional advantages to those who might avail themselves of it, others would object

to such special privileges, as they do now to those granted to corporations.

“In reference to the second inquiry: workmen would be very suspicious of industrial legislation under the present capitalistic system. They feel that Capital despises Labor, enslaves, oppresses, and cheats it, and they fear its tender mercies. Hence they would distrust any compulsory arbitration. An impartial, competent tribunal might be very useful, but to be acceptable it must be organized so as to command the confidence of workmen.

“A board of arbitration would be useful so far as it might allay strife, prevent strikes, and continue production. But arbitration is a mere makeshift, and settles nothing permanently. Suppose it to award three dollars wages per day instead of two dollars. The effective value of wages depends upon their purchasing power. As the board of arbitration does not fix the prices of commodities and the cost of living, Capital may raise the prices to meet the advance of wages, so that three dollars would buy no more than did the two dollars. The wages must be again adjusted by arbitration to the cost of living. Determining one factor settles nothing but for the moment, so long as the other factor is not fixed. To maintain the equilibrium there must be continuous arbitration.

“Perfect machinery works automatically and requires no extraneous aid to help it over a dead centre. So our economic machinery will not be perfect until it works without arbitration, as it will when it gives to workmen the actual or equivalent product of their labor. Let Capital remove the social disabilities of Labor and give it its just reward, and there will be no strife nor strikes between them, and but little need of arbitration. The warfare will never cease between them until justice is done.”

Hon. L. McHUGH, Commissioner of the Bureau of Labor Statistics for the State of Ohio.

“That trades-unions should be incorporated has, with me, long since been determined in the affirmative. The reasons leading up to this opinion may be stated thus: The mechanical classes are, by reason of their poverty, compelled to leave school and commence work at an age that scarcely admits of the acquirement of the rudiments of an education. The intellectual cravings of the American mechanic require food as well as the body, and trades-unions supply the medium for its requirement, as well as a better opportunity for procuring raiment and subsistence for the physical man. That these desiderata are largely supplied by trades-unions no one familiar with their workings will deny. Many of the brightest minds in Europe and America acquired their education and are graduated from the trades-unions of to-day.

“Trades-unions are not only educational, they are largely friendly, and do more in the way of charity than they are credited with. Even in the most depressed of times it is a rare thing to find a consistent member of a trades-union appealing to public charity for assistance. Well-organized unions take the best of care of their members, and secure to them the highest possible reward for their labor, and by reason of their being conservative they at the same time secure to Capital safety. One of England’s greatest men once declared that ‘combinations of working-men for the protection of their labor are alike recommended by reason and experience.’ The Duke of Argyle, in his ‘Reign of Law,’ gave utterance to that sentiment, and no doubt this opinion was founded upon truth, and resulted in the English Parliament passing the ‘Trades-union Registration Act.’

“All history proves that trades-unions were a large factor in freeing labor from the slavery of the ‘feudal system.’ They vastly improved and benefited English labor, and brought about their industrial independence and enfranchisement. That trades-unions protect Capital as well as Labor is attested by the fact that nearly all the disputes between Capital and the well-organized unions are characterized by an entire absence of violence and destruction of private property, and where such outrages have occurred it can be traced directly to the unorganized and uneducated, of whom it may with truth be said ‘they have no past to conserve, nor future for which to provide.’

“Thorough organization of trades is the best preventive of strikes. As an illustration of this the record of ten of the leading unions in England may be cited, viz. : Amalgamated Engineers, Boiler-makers, Iron-ship Builders, Iron-moulders of Scotland, Steam-engine Makers, Amalgamated Carpenters and Joiners, Amalgamated Society of Tailors, Operative Bricklayers, Operative Plasterers, and London Society of Compositors. These ten unions number 154,000 men, and expended during the year 1884 over \$1,250,000, of which enormous sum just six per cent. was expended for strikes.

“This is the record of a country where trades-unions are legalized by law. It is extremely doubtful whether the trades-unions of the United States would take advantage of a national incorporation law; doubtless many of them would; but that societies having in their organization so much that is good have not as yet received the sanction of law for the protection of their funds is, to say the least, a reflection upon the American Congress.

“Compulsory or legalized arbitration (for if entered into by the sanction of law its operations will be compulsory) will never be successful. Men of means who are able to re-

spond to a money award, if such should be the decree of a board of arbitration, will never engage in an arbitration with any other than a party equally responsible. With legalized trades-unions the situation might assume a different phase, as they would at once change their members from a condition of absolute irresponsibility into a body corporate, who, if disposed to escape from a moral obligation, could yet be held to an accountability, as well as forfeit their corporate existence under the law. Even under a condition such as this legalized arbitration would be a failure. An agreement to arbitrate requires the consent of two parties, and to make it complete each must be in a position to enforce it if necessary. No manufacturer can be compelled to continue in a business where he is losing money, and no employé can be made to work against his inclinations; and if he could, no manufacturer at this day would be silly enough to put such a mandate in force.

“Voluntary arbitration has and can be made successful, but not in the absence of organized labor. Where trades-unions have reached their greatest degree of perfect organization, there arbitration will be the most successful. Compact organization carries with it the power to control its members, and by that means enforcing and making secure any contract they may enter into. Both parties being organized under the law as having a legal existence, would at once make doubly secure the decrees of boards of arbitration.”

CHAPTER XI.

BY

FRED WOODROW,*

The "Samaritan of Labor."

SIDE-LIGHTS ON THE LABOR PROBLEM.

LOGIC OF THE CRISIS.

THE law of Cause and Effect is as inexorable in government as in gravitation—it takes no denial and gives no escape. All progress in civilization is a matter of moving

* Fred Woodrow, author of this chapter, writes with a full understanding of all the factors entering into a satisfactory answer to the greatest of modern questions. He has seen the dark side of a laborer's life to such an extent as not only to make his words practical, but to have surrounded himself with a history closely akin to romance. The following "thumb-nail sketch" of his life is furnished by a friend:

"About ten years ago I was looking through a freight depot for goods, when a stranger addressed me, asking me what I desired, and forthwith giving me all necessary information. Such unusual kindness and intelligence astonished me, as being out of the usual line of railway officialism. I marked the man from that hour, and embraced every opportunity to cultivate his acquaintance, thus little by little gaining a knowledge of his history, and the virtues of a unique and uncommon character. Fred Woodrow is the son of a British dragoon, born in Ireland; on one side coming from a race of Hampshire foresters, on the other of the Huguenot exiles, driven from France at the revocation of the Edict of Nantes. He was left an orphan at an early age, in which, I believe, was the discipline that produced his unique character. His father was bedridden for four years, for three of

from what has been already accomplished to what yet remains undone. As out of an acorn an oak, and from an egg an eagle, so the progress of every generation has its

which he was lockjawed, nutriment being administered by means of a glass tube, through a broken tooth. The boy in a barrack hospital, reading daily to the dying trooper of the grand old Book that gave hope to the soldier, and fixed the tone of his son's life and subsequent writings, in which one hears the tramp of the old prophets.

"After his father's death in Birmingham, his mother obtained an appointment as a village school-mistress in the lowlands of East Anglia, through the influence of a Pelham, one of whose brothers was saved from death off the coast of Egypt during the Napoleonic wars by the widow's brother. The mother engaged in bread-winning, the boy developed a philanthropic spirit with his years; in the early morning gathering violets in the sweet English lanes, digging daisies from lawns at one cent an hour, and at sunset following the sheep to gather the wool left on hawthorn bushes, to obtain money for charitable purposes—a Howard in a pinafore!

"When older he was apprenticed to bookbinding, where in daily contact with all kinds of literature he accumulated much of his vast stock of knowledge. But here, as in his village home, the instincts of his nature brought him into the service of humanity. He appeared on the stump and the platform, where he gained the sobriquet of 'The Bold Boy.' It was said, 'The lad is as blunt as Carlyle, as original as Spurgeon, and as uncompromising as John Knox.' Among peasants, city Arabs, and soldiers, and every class of neglected humanity, he was a boy Samaritan. It was while working at his trade he wrote the famous 'Kit Tracts,' which have gone around the world with the marching regiments of an Empire whose drums follow the sun—and in succession 'The Rough March,' 'Charles Bissett,' and 'The Cross and the Camp.' Of military instincts, his sympathies followed 'horse, foot, and dragoons' with unpaid correspondence to the ends of the earth, embracing in its volume the Governor-general of India and the humble sapper making roads in the Himalayas—perhaps the one solitary, modest figure in history that from a workman's bench took an interest in the moral welfare of the ostracized soldier. Oft, it is said, 'standing among the tramping chargers of departing troops, a solitary figure in a working-man's garb—his presence unnerving the hardest veteran as they filed past—sorrowing most of all that they would see

vital force in its predecessor. History is but a catalogue of evolutions, in which, notwithstanding the débris of empires and the skeletons of death, the furtherance of human

that kindly face no more—the face of one who had, without money and without price, given his time and strength for their welfare.' He was subsequently engaged as the almoner of a famous manufacturer, when he organized some of the agencies for the benefit of Labor, which have since made 'Caroline of Carrow' a Dorcas among the poor, and a living example of the only possible socialism. Hard work told on his health—with the living and the dying he was a daily and nightly presence—till the blood oozed out of his mouth. To save his life he went to sea, and there, as on shore, where he found a man he saw a brother—neither race, creed, nor calling intercepting the course of his kindness. There are sea-tramps living yet who are mementos of his humanity, as shown on the Spanish main—the waters of the Archipelago and the drift of the Dardanelles. Next we find him in the North Sea, the cruising ground of fishermen and storms, and then on English railroads, hauling a rope on one and wheeling a truck on the other, both in fore-castle or freight-house promoting contentment, and in a sea-cap or a blue blouse the same Howard of his boyhood. He came across the Atlantic in 1873, his first night in Castle Garden spent in watching over two lone Irish lasses who had no money for a hotel, but were content to sleep on a bench if he would stay to watch beside them. He found employment at a coal-mine in Pennsylvania, at the time when the Molly Maguires ruled the State. Here he wrought with his shovel, and by disinterested kindness averted threatened death. It was under the coal breakers he chalked on a shovel the initial lines of his 'Ode to the Nazarine,' which has commanded attention in this country and in India. By the invitation of an ex-soldier he went to Canada. Here on a 'Bush Farm,' a saw-mill, and in the pineries, he dug up stumps, handled planks, and swung the axe. Here he inaugurated 'free readings' for the lumbermen, and on one occasion gave a lecture in a remote school-house, standing on one leg, the boot of the other being cut through a few days before with an axe.

"We find him next on a homestead in Nebraska, ploughing with oxen and shelling corn with his hands. Here was penned that piece of poetic prose since printed as 'The Sunday Bell.' The grasshopper plague drove him East for bread and work, his books and clothing

good and the perfectness of its civilization follow unerringly, as a temple rises to its top stone above the temporary scaffolding. The most advanced races of this century are but the sequence in freedom and prosperity of their ancestors, who died at the plough tail that their children might sing at the sickle. January comes before August. The freedom of conscience, the right of the suffrage, the majesty of the law, have evolved from such fires as made smoke of human bones at Smithfield, and red clay of such as fell at Marston Moor or Bunker Hill. Then, as now, men were perplexed as to the best methods of ac-

in an artillery-bag given him by a soldier he had saved from suicide, and his bed a hammock, given him by a sailor he had bought out of service in the English navy. His journey was near three hundred miles, and he had made it memorable by a delicious piece of verse, published as 'The Break o' Day.' He found employment in railway service in Des Moines, where I met him, and where he wrote the well-known letter on the railway strike, called 'The Missing Coupling,' perhaps the first public advocacy of arbitration in strikes published in Central Iowa. Here his opportunities for kindness were many, and their use for a railroad man rare. His provision for accidents, known as 'Fred's Pouch,' deserves universal imitation, while his attention to the needs of emigrants going westward gave his name a charm by many a camp-fire as far as the 'Rockies.'

"His devotedness to an aged mother, long past the allotted time of three score years and ten, who has shared his vicissitudes on sea and land, as the light of his log-cabin and the queen of his shanty, on the prairies of the West and in the forests of the North, is rare in modern days as an exemplary instance of filial faithfulness.

"The knowledge of human character—the progress and needs of education, and more especially the problem of Labor and Capital, have used his pen for the good of his class. A philosophic student of history, he lives abreast of the times; and pre-eminently practical, what he says has the merit of sound sense and strong language. He is a cosmopolitan writer, with readers in Boston, Chicago, and Calcutta. I know of no man so thoroughly capable of forging missing couplings, with which to connect and unify the interests of Labor and Capital."

completing their reforms, but, as a miner sees gold in the quartz before it is put in the smelting-pot, so all men that have faith in the Right see the issue as the old prophets saw the Messiah. To-day we have the same call for faith and duty. This age, as all others, has its problem. It is the outcome of all others that preceded it, and as momentous as any. The harmony of Labor and Capital, the rights and rewards of industry, the claims and security of investment, the lines of each that avoid collision, the virtues that prevent anarchy and dissipate discord—these are the problems to be worked out on the slate of the nineteenth century. Education is revolutionizing all old conditions. There is brain at the man-end of a pickaxe, and thinkers are driving mules and making shoes. The serfdom that existed in ignorance of the alphabet and the multiplication table is dying out, locates their solution in the heart as well as the head, and gives to the great question of this age the gravity of a crisis involving regeneration or revolution. The industrial conflict as between Labor and Capital is but a phase in the universal agitation that reaches the altar and shakes the throne. No age in history vibrates as this in which we live. Science has revolutionized conditions. Electricity, steam, and printing annul distance and time. Change and transition are everywhere and in everything; and the task of intellect and the trust of virtue lies in securing the best results by the best methods. To the leading nations in civilization the crisis is not a matter of monarchies, but men—the recognition and guidance of the aspirations that are heard in a coal-mine and felt at the bench and the forge.

THE LAW OF COMBINATION.

In the science of civilization as in that of physics combination is a primal law. Its beginning has no date, and

its continuance no end. In a lump of coal and a mountain, in a family and an empire, it is the same eternal verity—that affinities are the strings that tie the world of matter and of mind together. Atom to atom, and man to man, is, was, and ever will be an everlasting law. The primitive man for companionship and protection evolved the kinship of a tribe and a nation. Mind co-operated in council, muscle in labor, and as the one learned to command, the other learned to obey. As these two lines have diverged or come in collision, the vices of power and of servitude have produced anarchy and revolution, as in historical parallels Cæsar had his Brutus and Charles his Cromwell. What we have of political or religious liberty is in obedience to this law. Abuse of power and repression of right have begotten the blood-hounds of bigotry and battle, oppression or resistance being in ratio with the combination of either side. In tacit and sometimes blind keeping with this law men have joined hands to rule or to reform. In this age combination is a science. The era of organization has come. Intelligence fuses masses into units. We are running into lump. Individualism soaks into societies. We reproduce in modern life the clanship of the ancient, and the representative of a lodge is the forecast of more force than the marshal of old empires.

We have to accept this fact, with all that it signifies for good or for evil, with this provision—that its power in both directions is limited according to its virtues or vices. Neither history nor science has record of any force but has its correctives and opposites; and in civilization it is as sure that the mightiest combination on earth, when corrupt and oppressive, disintegrates and dissolves, as it is that a snowflake melts in the sun. The inch and the ounce do not count in moral forces; the majorities of right are not made by counting noses. The rich corporation and the

laborers' union in this matter stand on a common basis, justice being blind to the difference between broadcloth and corduroy.

Accepting this logic, we see in the combinations of Capital and Labor a natural law and a continuous corrective. Each has its duties and its rights. As two dollars can buy more sugar than one dollar, so in all enterprises that develop our industries and hire more help, a corporation of moneyed men are more effective in combination than in individualism. To average common-sense this is plain, and hence it follows that such corporations are as necessary to human progress as is a crow-bar in a quarry. As two men can oppose wrong with more effect than one, and a combined use of reason secure redress and reform, so on the same line of principle a labor organization is as just and natural as that of Capital, protection on each side a necessity, according to the present condition of things. Unions are not crimes against society unless made agencies of wrong or oppression; a bricklayers' club and a chamber of commerce, are equal needs in a common civilization, be the difference what it may, in grammar or in shoe-leather.

THE MORALE OF CAPITAL.

Capital is a means to an end; its value is in its use. It is discretionary with its possessor to keep it in a stocking or put it into a lottery, as he may happen to be a miser or a fool. It may be much or little—a million in stocks, a dollar in peanuts—its virtues and vices not according to its proportions, but its use or abuse. As a constructive and commercial force it is stronger than kings or armies. With a dollar as with a drop of water combination is power, as an aggregate of dimes or drops are necessary to run a government or turn a water-wheel. In the right use of this principle men and nations prosper, as in its abuse the law

of retribution pronounced the sentence of judgment and death. The wealth of a nation or a man cannot keep one from decay or the other from the headache when the vices of either are ahead of their virtues. Had old Rome had morals as well as money, the Goth had never spit in the Pantheon; and had France kept its virtues with its francs, less of human heads had fell in the executioner's basket. By laws remote as the ownership of a field or a flock, the possession of wealth has come about by dint of energy or skill on the part of some man or body of men. The means used may have been in some cases violent and dishonest—the wolf may have got a margin on mutton by means of its teeth—but the law holds good that superior force, be it good or evil, has given the much to the few and the little to the many. The inheritance of wealth even by a fool does not affect the logic of superiority that originally made or even stole it. In accepting this truth we must also admit that there is a distributing force in our social economy by which no man, or any race of men, has ever yet put a padlock on the world's exchequer. In families and nations absolute monopoly is rendered impossible—a spendthrift son or a debauched empire unable to keep the financial Jonah without a vomit, while the tastes and luxuries that grow out of wealth are so many arteries in the social body by which what circulates under a crown finds its way to a ploughman's shoe. Again, the ever-changing levels of human condition from beggar to prince, and prince to beggar, make the wealth of the world in one sense a common property. As the abuse of riches ends in their loss, so the right use of the same is as necessary to modern civilization as wind to a ship or steam to a locomotive. The stockholder and the corporation have become essential factors in enterprise and progress; they represent the means by which we light the night with electric stars, span the cou-

tinents with steel rails, fetch the golden quartz and iron ore from the bowels of the planet, and put the granaries of one latitude into the cupboards of the next—the hugest agency of modern times, but subject as all other agencies to life or death, according to right or wrong doing. It has no salvation in its proportions—millions cannot count in morals. It may have the power of a Cæsar, and die with the worms of a Herod. Its abuse produces discontent, despair, and revolution; pauperism may crawl in the track of its wheels, and the hopes and wages of a State fall at the click of its scissors, and the masses that should rule with the ballot resort to the bludgeon. On the other hand, when on the line of justice and humanity, it moves with other agencies of civilization to the higher planes of purpose and prosperity. In this is its strength. Reviewing its past it is moving with the age. The code of public morals and the force of public opinion are becoming factors in its existence. It cannot live in the nineteenth century and renew the spirit of the dark ages. It may run into gigantic rings and corporations, but “thus far shalt they go and no farther.” We are progressive enough to check abuses, and to limit, if not to prevent, the growth of moneyed monarchies, always provided people and rulers are not saturated with a common selfishness. In that case trouble and disasters are inevitable, and some of it might be spared if Capital always recognized the difference between a man and a mule, and kept the ten commandments among its money-bags.

THE MORALE OF LABOR.

Work is one of the primal conditions of human life. The first man with his spade in the primitive Eden was the initial idea of labor. Its equivalents were in keeping with his needs; its hours and its honors regulated by the sun and his own soul. What he did was honored by how he

did it. This original idea is now as then a basis—truth; and notwithstanding present becloudments and malformations, is yet an opal in the day, and gold in the quartz. Work is not, as many suppose, restricted to the use of a pickaxe, the hammer of a forge, or the tail of a plough; it is everywhere, and more or less known to every one. It is ordained that all faculties and parts of our common nature have to exercise the strength that tires and the toil that exhausts ere we own an ounce of mental or moral muscle and bone. In this sense we are all alike in the leathers of a common harness. There may appear to be an infinite distance between the pen of a president and the broom of a crossing sweeper, but in fact each in its place is a correlative of the common truth and the common duty—the dignity we attach to the one and the false shame to the other but questions of social opinion and etiquette—the sarcasm of history sometimes shaking the bran out of our pulpits by reversing our code of honor, as in the case of Grant, the tanner of Ohio, became the head of a republic.

There is a false sentiment among us regarding this matter that keeps on its lips the old Judaic sneer, "Is not this the carpenter's son?" It poisons and distorts our conception of honor and true dignity. So we lift a hat to an aristocratic rake, and pass without notice the grander man than he, who has blisters on his hands but none on his character. Even in the temple of God, the reverence for jewellery and silks, cologne and real estate, shuts off for a back seat and a cold welcome the poorer worshipper, who, driving rivets six days in the week, forgets neither his clean shirts nor his duty on the seventh. The prevalence and magnitude of this mammon worship and shame of servitude is one of our most momentous perils. It saps the fabric of society; it builds a wall where Heaven had never laid a brick. Manhood on both sides is demoralized—

the one begets tyrants, the other sycophants — each of which are a silent sign of some coming relapse when society, to regain its original levels, falls into temporary anarchy. To-day we see among our youth of both sexes a veritable epidemic of so-called ambition to escape all hard toil and grasp the “soft snaps” of office-work. You may find young men and young women by the hundreds who are ashamed to carry a market-basket, and who see in the commonest duties of life a task for which their hands are too white. There is glory in a necktie and shame in a trade. This social malady, as before said, is on the increase, and three-fourths of it proceeds from the false idea of work pervading society. In the older eras of civilization the existence of this spirit was in accord with the ethics of governments and morals. The Roman lord and his slave were but apples of different sizes on the same tree till the Goths shook them off into his basket; but in the era of Christianity, in which all men are brothers, and all kinds of work sublimated in the grand old name of duty, the shame of servitude is an anomaly, and its obliteration a solemn necessity.

This chain cannot rattle forever on the hands of freemen. “The dignity of labor” is not a catch phrase, but an eternal verity. It may blacken in a mine and blister at a furnace; it may be roughly clad and not up to the etiquette of mansion manners; but in what it does, and in what it is, and in what it yet is to be, lies the safety and progress of society. The writer remembers, when working as a hired hand with a French Canadian, and busy scraping a hog at the scalding-tubs, the sturdy, semi-Gallic backwoodsman expressed his surprise at my contentedness at my task, remarking that he could not “make it out” that I should be as earnest and cheerful beside a scalding-tub, or digging up stumps, as I was when giving a lecture in the old school-

house—the philosophy of the thing was to him a mystery, and moreover a novelty. He was there and then instructed that it was not the work that made the man, but the man that made the work, and that duty recognized no distinction in its “spirit between one kind of work or another.” He gave me his hand, all blood and bristles, and acknowledged the principle to be the only one that gave dignity to work. I hold to this doctrine still, and that in its inculcation lies one of the regenerating elements of the Labor difficulty. In this higher morale of labor is its emancipation and its future.

COMPENSATION AS A BASIS OF PROSPERITY.

The social fabric is, in its structure and intent, a unit. In the interdependence of its parts it is as a body with its many members unified with a common vitality. The minutest atom of humble life and the loftiest Alp of human greatness are alike factors in what we call society. This fact, as unchangeable as the multiplication table, makes the rights and welfare of the individual the concern and interest of all. In this broad but vital sense there is no wall between the palace and the hovel, nor but a fictitious value on the difference between him who wears broadcloth and he who thanks God for a day's work and a dollar pair of blue jeans—the gifts of mind and the virtues of character the only distinction between one man and another on the broad basis of justice.

The man has not yet been born who is so isolated or detached from the commonwealth of human interests that his wrongs have no vibration beyond the chords they strike. We are but a vitalized chain on which the tooth of the file and the tap of the hammer is heard along its links. It follows as a sequence that where one part or class strains or oppresses another, the one that sours the milk spoils his

own butter. Oppression is not yet absolute. It is far from being an old bone or a fossil. True, it cannot use a branding-iron, or a slaver's rawhide, or put a man in a dungeon without cause; but it can, by fraudulent and selfish methods of compensation, bring him to corn-meal and a soup-bone, and a home with the rats in a cellar and the spiders in a garret. There are too many pay-rolls made out by the Rule of Cheapness and not that of Adequate Compensation; in the so-called Gospel of Business any method being justifiable that can secure a dollar's worth of work on the basis of a dime—the ninety cents going into a vault, and the ten into a red herring and a loaf of bread.

Owing to this Shylock method, we see wealth going to the few, and poverty, gaunt as a wolf and lean as a greyhound, going to the many. Two sets of evils are hereby inaugurated—the one of luxury, pride, extravagance, love of ease and cake, and the elegant indifference of rouge and kid gloves to the pallor and blistered hands of labor—the very spirit and the self-same trend of events that preceded the fall of Rome and the street fires of Paris. The other evil—discontent, class hate, the ferocity of want, the demagogue, dynamiter, assassin, and the full-blooded revolutionist, with his red cap and sharpened pike. The one evil prepares the tinder, the other fires it.

The Right of Compensation is one of the grave issues of the industrial conflict, and becoming more emphatic and vital as we see such modern creations as “rings,” “corporations,” etc., by which the produce of the farm, the piggpen, the potato-patch, and the output of coal-pits, iron-works, etc., are manipulated with an eye to stupendous profits, Labor being squeezed like an apple for the last drop of its cider. The call for a halt is heard. Greed may fatten from its own plate, but it cannot forever steal a potato from another. The monarchy of monopoly hears the tramp

of a Cromwell. To correct the abuse and acknowledge the rights of combined capital is the question of the times, and to guarantee compensation for labor a phase of the same problem. There is no law in any code but the unwritten law of God, by which this matter can be adjusted. There are vital issues of human life which are wisely beyond the jurisdiction of a constable; the higher planes of right-doing are not swept by the janitor of a court, or reached by a deputy-sheriff, and thus the life-spot of a nation is out of the hands of Cæsar. Man is a self-damnable animal. The law can enforce payment of dues and wages, but cannot frame a schedule to fix them. The conditions of wages are beyond control; they are of the kind that make the tides of the sea and the changes of the weather beyond a Canute or a Blackstone. Fluctuation in values is unavoidable.

The value of a watermelon varies according to crops and competition, though it took as much sunshine to the square inch and as many feet of mellow soil to realize ten cents on the market as its predecessor did for three times ten. In this matter the farmer that grows ten thousand melons, and the shoeblack that eats but one in a summer, alike suffer—the difference being only a matter of proportion. So with Capital as with Labor, it has its claim for compensation; and when it fails the man at the spout of the pump with him at the handle are at a common loss when the well is dry. With this understood, the relationships of money and muscle, and the adjustment of compensation, would be harmonious and just on the basis of conference—arbitration or co-operation.

The estimates of compensation, as things are to-day, remain on a private slate, and are absolutely dependent on the humanity and justice of the employer. It remains, however, a basis law of prosperity that for a certain ex-

penditure of time, strength, and labor a fair and just recompense must be a rule, and not an exception, not overlooking the grave truth with which we started—that the interest of the individual is the vital concern of all—we cannot ache in the bone and not suffer in the flesh.

HUMANITY IN BUSINESS.

Humanity, in its highest sense, is a grand old word. It has of late become popular, and consumes much of breath and printers' ink. It is used in the sale of soap and bitters, and illumines not a little of the nonsense heard in ward meetings and political orations—a universal label on all potions, with the right or without it, going down the modern throat to remove a tape-worm or secure a vote. Be its abuse what it may, its significance and prominence are of more emphasis to-day than ever before. It is one of the vital phases of civilization, breathing more deeply of the Christian verities at its base, and has developed such exponents of its spirit as Howard and Shaftesbury, Elizabeth Fry and Florence Nightingale. It visits the battle-field and watches in the hospital, meets the prisoner at the jail gate, and finds the prostitute mercy and a home. In a legislative direction it protects the young from overwork and the mature from the sanitary sins of close and overcrowded mines and factories; but as a matter of fact inhumanity in industrial life, like the old Egyptian lice, crawl yet in the nineteenth-century blanket. Sentiment in business is practically ignored as out of place and suicidal to success—the Golden Rule a blank in the ledger and forbidden jurisdiction in a pay-roll. This fact of itself is one of the many causes that promote discontent, class enmities, and the evil spirit that broods over the cockatrice's egg to hatch a reptile. It has been the writer's lot to see this evil in many shapes and places, and there is enough of it yet to give a royal right

to some corporations and men to a scrape on the fiddle of that Roman gentleman whose violin was at its best when the ashes of Rome made sport for its Nero. This may seem a grave charge and strong language, but I am convinced that it fails to gauge or even profile the curse that, like leprosy under a shirt-collar, is not the less deadly for its decent coverlet of clean linen. Humanity is needed more than law to heal the breach in industrial relationships.

I can better illustrate this by facts than epigrams. Speaking to a railway superintendent, one wet day, of the need of a few shingles to shelter the freight-handlers, he gave me in reply the business doctrine—that it might be well for the sheet-iron being then unloaded, but as for the men, if they got a wet shirt or the rheumatism, it was not his business to care, as men were cheaper than the cost of more shingles. Seeing an eminent capitalist once on the same matter—one of his men dying from asthma contracted from exposure, which could be obviated in the future by a few planks and nails—he saw his duty and did it; but there is a grave and a widow left, satirizing the lack of humane thoughtfulness in even a great and good man. From that fact, in a series of notes prepared on labor topics for the same employer, I broached to him the somewhat startling doctrine that compensation for neglect and accident would yet be recognized as a legal requirement. I have lived to see that doctrine incorporated in the code of Great Britain. I advocated this principle in a saw-mill in Canada, where a piece of board and a few nails would protect the workmen from a cog-wheel or a saw. The proprietor thought me a “fool” and a “chicken”—such sentiment in a saw-mill was outrageous and sickly. A few days after I saw him leading a stalwart Highland Scotchman to a wagon, his right hand hanging by a piece of skin to his wrist, taken off by an unprotected lath-saw; his eye met mine, and his

face reddened to his ears—the guilt of neglect, like the mark of Cain, under his cap. How many a cripple and invalid have lost limb and health by the old business principle that the sentiment of human protection is too costly, and has no more right in industry than a bear has in a pair of pants.

This evil is aggravated by its adoption among employés and understrappers. Brutality is begotten of example, and the roustabout of a steamboat will practise on his companion the blows and the bullyism of the Mississippi mate. Subordinates, as a rule, repeat their superiors' methods, and bark or bite according to example. Hence we see overseers and bosses selected for their driving power. The capacity of a man to act as a rawhide and a tin horn may be utilized in increasing the output of a quarry or a mine, and in some cases be a direct and absolute need, but as a rule it is indicative of the spirit pervading industrial business—a second-handed kind of tyranny, in which the responsibility may be deputized, but the iniquity a matter of mutual partnership. The writer of this has scars on his body that are interesting illustrations of this kind of bossism—fattening on sixty dollars a month for the qualifications of profanity and heartlessness. These “man-propellers” are the scapegoats of corporation sins—of which stockholders may be ignorant, but as their agents outside the nomenclature of beast or reptile. There are a thousand and one ways by which industrial wrongs may be enlarged or extinguished, on the basis of the humanity supposed to be under a human breastbone—the doctrine of non-responsibility a flat-footed heresy, as pernicious as communism, and as serious a menace to public good—the evil, if without the stain of iniquitous motive, none the less a crime as being the results of selfish indifference. This spirit is one of the gravest dangers in industry, and its extinction can

only be from moral causes. One cannot well overstate its consequences. Time fails me to tell of manhood pauperized, of troubles and sufferings beyond number, of hates and enmities that spawn over the land, and of conspiracies and plots that prowl with the midnight rat and gnaw the very sills of civilization—to catalogue these results is impossible, though one thing is sure, that so long as Humanity is ostracized from business, the industrial conflict will go on, in spite of legislation or a State militia.

PROVISION FOR BODILY INJURIES.

The humanitarianism of the last decade is widespread and fruitful. It is the output of ten centuries of Christianity—surviving dogmas gone into the abyss of nothingness, and the influence of tripods and mitres that are now kept with historic swords and old china in museums and antiquarian boxes—the primal idea of Christian ethics, coming along with unspent volition, and giving to humanity its “Hospitals” and “Homes,” its “Refuges” and “Reformatories,” its “Sisters of Mercy” and “Knights of the Red Cross.” The Jericho road is now the chosen path of modern philanthropy. This awakened interest in human need is an epoch in the evolution of man and morals. The dainty Roman thumb that settled the butchery of a wounded gladiator on the sawdust of the Colosseum the Goths and the Gospel have buried by the Tiber, and Christendom has in their place the grander soul of such lofty types of humanity as Florence Nightingale, Elizabeth Fry, and the Howards and Coopers of modern times. Our civilization throbs with charities, and it seems to be scarcely possible to suggest even a remote opportunity for the exhibition of this spirit—so much of need has eaten of its loaf, and so much of wrong exposed in its light; but there is a corner yet unvisited and a want unsupplied, except in isolated

cases. I refer to the little provision made for the immediate relief of bodily injuries that are of daily occurrence in many branches of industry, and figure up a total equal to the wounded in a battle. We see the ready ambulance and the waiting surgeon, even in the military picnic of a militia camp, where a contusion or a sprain are but remote possibilities; but in how many a coal-shaft or caboose, saw-mill or factory, can be found even a rag ready for a bodily hurt? and we number more of these in a year than Wellington could count of wounded at Waterloo. In personal experiences this lapse in humanity has taught me bitter lessons. Lumbering in the North, where the axe and the saw shed blood every day, for a mashed hand a piece of an old shirt was the only appliance, and for a severely cut foot but some shoemaker's wax and an old necktie, and men had even to bleed to death's door ere a surgeon could be reached miles away, through the pines and over the snow. In railway service there are numbers of minor accidents that could be immediately attended to if appliances were kept on hand in cabooses and freight-houses; and as a satire on a huge corporation it was left to a roustabout who had fractured a rib, crushed a foot, mangled a finger, and dislocated a knee-joint, to prepare and provide a leather pouch, in which he kept open to all linen and lint, arnica and sticking-plaster, etc. This pouch, popularly known as "Fred's Pouch," is a piece of necessary furniture in every place where accidents are possible. It is part of the duty of employers to make such a provision, and its practice would not only be beneficial, but, as representing the spirit of care and thoughtfulness, would in no small measure help along the harmony so much needed in industrial relationships. Humanity visits the plague-spots of pestilence and the dens of criminals, and there is standing-room for it yet in the shambles of industry.

THE NOMADS OF INDUSTRY.

The original nomad was one of the primal germs of civilization. In the leathers of a sandal, or on the back of a camel, he was a peregrinating phase of a Divine Idea—an instalment in fig-leaves or sheepskin of the more comprehensive migrations slowly shaping through lapsing centuries the civilization of to-day. The Divine Idea without an interlude still remains in force, and so will till it evolves its deeper purpose—the Fusion of Races. We are now in an era of migratory labor. The time is gone when a county line was the mimic world of generations from the cradle to the grave. The old fence-rail is taken down. The corner lot has merged into a continent, and the denizen of a tenement-house finds himself the citizen of a planet. This creeping out of humanity from its old and time-honored shell has consummated in the modern exodus of races, and is sowing the solitudes and wastes of nature with the seed of nations and cities. Modern enterprise has been equal to the task of utilizing and manipulating this gigantic movement, and by every conceivable agency turned the human current here and there as best suited the holders of real estate and stockholders of railway lines. In natural sequence the fields of labor multiply and the centres of industry are continually amplifying their resources or changing their base, and the vast army of workers is going to and fro seeking employment and bread. It is in this particular phase of migration that humanity and justice are called upon for the statesmanship of the occasion. The systematizing and protection of migratory labor is one of the new and later duties of the hour. The permanency of employment or home is seldom assured to the working-class. The cap of the nomad hangs over his head. The census of men who have wrought for ten years in the same

locality, or even the same handicraft, would be an astounding revelation to some of our economists and eulogists of the American home, and a grave study for such as prate of national stability and consolidation. We have, perhaps, more rovers to the square mile than any nation on earth—a fact that on one side bespeaks a wide-awake and energetic race, but on the other the homeless vagrant and the social Hun. The nomad is a future problem. As it is in an immediate sense, migratory labor being a necessary condition of our civilization, its abuses and needs are a momentous consideration. The intelligence office, the contractors' handbills, advertisements, and subsidized newspaper statements, with here and there a labor sheet that at its best is imperfect, embraces the bulk of authorities by which a workman starts on a journey of a thousand miles for work, in many cases to return with an empty satchel and very thin shoes. In fact we have reached that condition of commercial brigandage where it has become a lucrative business to deceive and mislead migratory labor. Instance: last summer dodgers were scattered in Chicago, telling of a new Canaan for labor in a Western city—a golden apple waiting to drop into an empty basket or an open mouth—the truth being, to my personal knowledge, that the whole matter was as fraudulent as a forged check, concocted in the interests of a few contractors who, for the purpose of reducing wages, wanted a surplus of men to offset some hundreds of others who were biting their nails for want of something else to do, and the pauper fund actually overdrawn at the county court-house. This is not a solitary instance—it is but a thread in a huge web of monopolistic greed, in which corporations, contractors, railways, and numerous other spiders fatten on the labor fly.

Here and there we find men who, in a small way and on a big sign, advertise for labor wanting employment. I came

across one such, slick and well-dressed, and with a newspaper reputation, who held out to me the bait of a "splendid situation" for a five-dollar bill, and meanwhile had some half dozen others on the same string, to whom the situation was forever a mystery and their "fiver" a dead loss. There may be good, honest men in this business, but it needs to be put under such authority and supervision as to guarantee its rectitude. It is to the classes of deception named that much of the tramp calamity may be credited. Having met with many of these men roaming between the Mississippi and the Missouri, and ascertaining the initial causes of their wanderings, the majority of cases were traceable to the huge confidence game above mentioned—as pestilent and leprons a sin as ever eat into the soul of a man or a nation. A remedy might be found in the locating of a labor office or bureau in large cities, connected and combined with such societies as represent Labor, recognized as a reliable and representative institution, sustained by a small fee, keeping on file all necessary information, and having the facilities by telegraph and correspondence of locating chances of employment and acting as agencies to supply it. Such a "Samaritan Lodge" in every centre of industry is one of the gravest needs of Labor, and some Howard of the race may yet be found to inaugurate it. The man or the society that can put this matter, in its perfect and comprehensive sense, on a national basis will deserve the gratitude of migratory labor.

THE HOMES OF LABOR AS AFFECTING ITS SPIRIT.

Sanitary sins cast their shadows on public morals. Bad air discounts virility in the body and in the soul, and no sane man can associate its concomitants of filth and squalor with the accessories of virtue and prosperity. Pure oxygen, good soap, and a stout broom are the enemies of

disease and the devil. It is not by accident, but by the eternal fitness of things, we connect cleanliness with self-respect, and dirt with crime. The darker deeds of history—its conspiracies against human good and social progress—its grosser and viler forms of outrage and evil—have to a large extent germinated in dirt and bad air. Modern investigation has thrown considerable light on this unpalatable fact, and statesmen and moralists alike are interested in enforcing sanitary laws for purposes of national health and public morality. The agitation of this matter in England culminated in a legislative provision for the inspection and gradual removal of unhealthy dwellings and man-killing factories. Fashion and wealth caught this reform inspiration, and aristocracy put its dainty nose into the slums and rookeries of its large cities, where sanitary neglect was producing a generation of cripples and barbarians. This awakening of public interest, if not comforting, was salutary.

In a personal experience of two years in these dens of civilization I saw much to dissipate my wonder in the lapse of social morals and the growth of sullen but bitter discontent. Here tired labor had its truckle-bed, its damp and darkened chamber, its rats and cockroaches, its poisoned atmosphere, its dwarfed humanity, and be it said not a few unfortunate denizens who were, in aspirations and character, living contrasts to their surroundings; but, as a rule, it was here one met with the fiercest spirits of discontent and the ripest passions of revolt against all social law and order—cooped up in their dens that were a standing sin against civilization and human right. The occupant was not to blame for his lodgings, the iniquity of that was in society—the landlords that counted their rents by the number of heads crowded between the cellar and the attic. In localities where the houses were decent it was to me a matter of some study and perhaps surprise that the tone

of self-respect was healthier—cheerfulness and content genuine realities, and morals of a higher grade, though the tenants were of the same class and status in employment with those who dwelt in the slums. I believe this to be a general experience, and the fact it indicates enters largely as a predisposing cause in much of the anarchy so rudely shaping itself in our crowded cities and labor conflicts. Society has sinned against its constituents, and practically ignored the law that makes a man's home a bond for his good behavior. In this comparatively new country the large amount of elbow-room and the national love of space have to an unprecedented extent exempted Labor from the packing process of a fish-box, but there is sin enough against sanitary laws, and greed enough of landlords, to stimulate our social discontent. We cannot all live on prairies and mountains, and brace up our exhausted vitality with sea-air and sunshine, but the more the need that our homes should not be rented coffins and our workshops man-traps. As a nation we need not suffer from want of room, and there is no need to put society in architectural corsets, but modern tendencies have that trend. We are becoming a gregarious people. A crowd is an American paradise. Anglo-Saxon individualism is being lost in the Gallic system of aggregation. The boarding-house and the hotel is the new ideal of home, and as we multiply in industries and numbers, and so long as avarice is our national vice, the evils of man-packing for social and rental reasons will be a public peril. We are legislatively progressing in sanitary laws, but the curse of politics checks their enforcement. It must, however, become in time a grave concern that in imitating the rookeries of the Old World we do not make them the catacombs of the New. Philanthropy will also discern its duty in dealing with the causes of discontent and misery, as well as with their results. In

younger days we once insisted, and do so still, that the time will come when Christian statesmanship will, by means of pure air and whitewash, make a flank movement on bad morals, and that the homes of Labor would not be grouped in indigent corners and darkened alleys, but, for humane reasons and common rights, be a sharer with other piles of brick and stone in sunshine, air, and respectability. This Article of Faith was not altogether visionary, and will, as conditioned by time and circumstance, become a verity of civilization. Social science will not cease its work till every human right involved in its functions is practically indorsed.

SOME PRACTICAL HUMANITIES.

We have it on Supreme authority, as forecasting human conditions to the end of time, "The poor ye have always with you;" thus there can be no possible state of society in which there will be no occasion or use for the charitable instincts of man. The Golden Rule is not for a sect or an epoch, but for all men and all time. The want of its spirit is perhaps outside of economic conditions the greatest need of the labor world, and would do more to harmonize its constituents than all the theories and paper millenniums with which we are by turns entranced and disappointed. Modern humanity is by no means insignificant, but it has a tendency this side the water to run into legislation, as if the constable could be made a substitute for the humanitarian. At our present rate of speed we shall soon depend more on law than gospel. Meanwhile the wounded Hebrew is on his back and in his blood on the Jericho road, and the modern type of Samaritan getting out a *supena* and calling for a patrol-wagon. Individual responsibility cannot be deputized—our own conduct the particular quality by which we are judged; and in this grave question of labor trouble no amount of law can offset the neglect

of duty or the lack of humanity. Every practical effort in the right direction deserves notice and indorsement as a text-book and an example. These are our guide-posts to better things, and a living finger in this matter counts for more than a thousand pens. In surveying the every-day life of labor we see much that is unpleasant, and not altogether removable; they are the unavoidable and necessary adjuncts of life that mould its sterner virtues and discipline its character. It is in these common every-day conditions that we find the scope and sphere of humanity in employers. Consider for a moment the Tin-can Brigade of this country, who eat at least one meal a day at their place of labor. With how many is there any convenience provided for decency and comfort? On how many is the key turned till the bell rings or the whistle blows? It may not be a hardship or a wrong, but I have a pleasant recollection of seeing some good standing-room for humanity on this dinner-plank. A house was rented near the mills, a hydrant fixed below, tables and seats provided in the upper rooms—everything clean as good soap and white-wash could make it. Here the employés could have their meals with clean hands and in comfortable surroundings; and added to this a mill-kitchen where, at cost price, a man could call at noon and obtain a substantial dinner with coffee, all kept warm in a tin can, ingeniously constructed to combine a dish and a coffee-pot. Everything was of prime quality—beef, flour, and milk, the same grade as used in the employer's own home. There was no percentage in this to give a mercenary motive to this humanity, nor was there any parade about it in the way of officialism and cant. It was a simple, straightforward method of carrying out the Golden Rule. It was also made effectual in a reformatory direction. Many of the men lived in localities where the ale-house was a temptation. This was counter-

acted by the employer leasing a quantity of land and renting it in small plots to his work-people. I have a lively recollection of keeping an old toper from his drams by helping to hoe his potatoes in this patch, especially on pay-days, when it was his practice to drink thirty-five pints of beer before he got home. These plots of garden-ground were not only good for cabbage but for some very tough sinners.

In planning for the good of these adults the younger folks were not forgotten. There was a host of these employed at the mills whose parents were in all cases very poor, and in a great many degraded. It was suggested that these ragged urchins should be encouraged to put by a weekly pittance, with which, at the end of the year, they might feel the comfort of warm clothes and stout shoes. The firm gave ten per cent. interest on deposits, which ultimately grew into large proportions. Thus the virtue of economy was taught, and self-respect, impossible in rags, stood on its feet in unblemished corduroy.

The young and unmarried women were invited once a week to a sewing-class, where material at cost price was provided for their use, and a knowledge of needle-work gained in making their own dresses and their brothers' shirts. I cite these few instances out of many as broad in their import and as humane in their intent, to show that the humanities that mould better feelings and meet great needs are in easy reach, and likewise point out the shortest cut and the surest way to harmonize the relationships of Capital and Labor.

CONCOMITANTS OF CHEAP LABOR.

It is a law from which there is no escape—that every workman reproduces himself in his workmanship. Individualism is present in every output of skill and handicraft,

and man writes his name as legibly with a chisel or a lathe as with pencil or pen. It is this incorporation of ourselves in what we do that constitutes the only dignity and the only shame of any and every kind of work. The employment that commands a carriage and that which trundles a wheelbarrow are in this matter on a common plane of honor in the democracy of industry and the sight of God. In a commercial and national sense this element of character in business is at the basis of production and prosperity for good or for evil. There can be no doubt that the reliability and thoroughness of every branch of industry depends considerably on the man who manipulates the material, for in a thousand and one ways neglect and indifference to results may counterbalance even the virtues of good steel and sound timber. We daily read of such catastrophes as the collapse of buildings, the fracture and fall of bridges, the snapping of a ship's cable, the sudden breakage of its machinery, etc., all these things of course possible with the best of workmanship, but in many cases directly traceable to inefficiency and indifference. As these "casualties" repeat themselves, the reputations of firms and nations suffer, and react in loss of trade and depression of industry: the case of England, for example, once the solitary national type on the globe of reliability and thoroughness in her manufactures. The world could swear by an English nail and fight with her unrivalled steel; now the world complains of her "rotten iron," and her own soldiers of useless bayonets. This evil has eaten into her commercial heart, and bids fair to be her sentence of industrial death. Competition may enter largely as a cause in this decay, but the thinker who reads the "writing on the wall" sees a shrinkage of business as in ratio with the shrinkage of integrity and good workmanship. Underpaid labor and selfish capital are the traceable sources of this industrial calamity. Low wages

and inferior work go together. Said an employer to me, "I give the best wages I can, for the reason that the same man does better work when contented than he can do when he is not." This fact is in line with universal experience, and in the close hot race of nations and trades for supremacy and markets the character of workmanship is coming to the front as the supreme factor. We see already new agencies at work, in which taste and skill are being brought out of rudimentary conditions into comparative perfectness, and thus the full advantages secured of national aptitudes for industrial purposes. We are in a marketable sense exchanging the old brute regime of forcing trade by soldiers and diplomats for the democracy of brain and skilled handicraft, by which the utility and merit of our manufactures are their best advertisers; and in doing this we recognize the vital idea, that as the worker so the workmanship. Degrade the one and you deteriorate the other. Pauperize the toiler, and the leverage is lost of national or industrial elevation. The underpaid and underfed of our cities are the human tinder of anarchy and revolution. The sense of wrong and serfdom associated with the bitterness of poverty is the hot-bed of such Huns as cut-throats on the Tiber, and burned palaces on the Seine, and are not ashamed in this day and generation to avenge their wrongs with dynamite and kerosene. A pauperized man is in a social sense a mildewed devil. In a domestic or home sense the demoralization reaches the hearth-stone virtues of a nation. It has been the writer's lot to see social evils in many phases, and more especially in its haunts of poverty and back streets, and to trace not a little of the moral plague to the curse of a Shylock's pay-roll—men and women with crooked fingers and bent backs, saturated with pauperism, browbeaten and broken-spirited, with boys in the street or the jail, and girls losing their eyesight for a few

cents a day, or selling their virtue for a glass of gin and a night's lodging, and home, such as it was, but little better than a dry-goods box left to rubbish and street rats. From such as these self-respect was gone, and when humanity goes below that level it ulcerates. The pauperism resulting from underpaid labor is a fruitful source of the evils we see in the saloon and the brothel. We do not say that plenty insures virtue or sobriety, but we do know that "hard times" add to the revenues of the grog-shop and the ranks of Jezebel. Society may not be regulated by its dishes, nor its morals be a matter of diet, but when one cannot be bought and the other can be sold, one will seek to forget his misery in drunkenness, and the other will sell her soul for a square meal. Human nature may not be changed by leaving a soup-bone for a beef-steak, or a shanty for a cottage, but the wrongs that crush and belittle manhood predispose it to any doctrine or practice by which the sense of wrong may be stupefied or the sting of it avenged.

The concomitants of underpaid labor are among the gravest social and national evils of the age, sapping as they do the virility of the race and the growth of its commerce. The elements of content and industrial justice are as necessary to national virtue as the Ten Commandments.

CONVICT LABOR IN INDUSTRIAL COMPETITION.

It is generally received as a fact that as between work and idleness in human happiness and character the busy man has the making of the best. Work from any standpoint is a moral and physical blessing. Laziness with money or without is the neutral stage of crime. Decay commences in a man as in a cabbage, when activities cease; and as idleness makes human nature plastic and unresisting to evil influences, it follows that work may, to a cer-

tain extent, be reformatory and helpful. It is against general experience to suspect an industrious man of crime. Free perspiration and constant work are general helpmates to good morals. This is recognized in our penal system. The convict, as a violator of the law, is accorded by universal consent a course of punishment and isolation. For a certain period of time he is, as a citizen, personally extinguished; but though no longer a voter, he is still a man—a living member of the human family. His reform is as necessary as his imprisonment, and one of its best methods is the Gospel of Work. On that all men agree. The point of dispute is not on his employment, but on its abuse for mercenary reasons and its introduction as a ruinous element in industrial competition. To find the convict work and escape this result is part of the labor problem. Public sentiment is manifestly against making its law-abiding citizens suffer from the industrial service of its criminals. It has on its face the brand of a public wrong. In sympathy with this sentiment, the best thought and the closest investigation have been engaged in this important matter, and though able to suggest remedies for this evil, know no way to remove it. The good accomplished by constant employment, in morals, health, and future well-being of convicts, is too apparent for any thinking man to seek its suppression—nor are men to be found, however doubtful of these reformatory results, who would wish to see the crime of a State afforded the luxury of nothing to do but making a bed and attending to rations three times a day. The necessity of work for judicial or moral reasons is practically a settled question. To carry it on and do the least possible harm to industry outside is the summary of public agitation. The local interests of labor might be protected by restricting competition in neighboring enterprises, but even then it would be simply trans-

ferring the evil from one point to another. The practical prohibition of letting out convict labor at less prices than those current in the market would likely be of material value; in fact it is just here where the shoe pinches, as no living man can compete with the advantages a convict contractor has at his command, and a condition of ruinous competition, while it cannot affect the board or lodging of a convict, takes both away from free labor. It might be a wise departure to direct convict work into State service. It would displace free men, it is true, but not to the extent of its present practice. In State improvements, such as are neglected, or left to local agencies to be dabbled with in lieu of poll-tax, the annual trip being made up the hill and down again, leaving bad roads to break axles and mire mules. There are States that never will be settled, and always at a marketable disadvantage, till hills are levelled, swamps drained, and areas of inundated lands saved from annual floods by canals and embankments. In what more serviceable direction could convict labor deploy itself? The subject is one of profound importance, as implicating conflicting interests, each of which has logical rights and duties, the legal suppression of local or ruinous competition being the nearest method at hand of compromise or adjustment.

INDUSTRIAL REPRISALS.

Reprisal signifies antagonism. Its actuating spirit gives it the terror of revenge or the majesty of retribution. So far as it goes as a method of protest against injustice, and so long as it implicates in its consequences only the guilty parties, just so far is it excusable, and in a certain sense justifiable; but when it overlaps or ignores these conditions then it becomes a moral and social sin. It may be said of all reprisals that the most justifiable are misfortunes, and of the rest, that such as are not mistakes

are absolutely crimes. It has come to pass that our civilization has not dispensed with the misfortune or the crime; in fact the shadow broadens on the dial, so much and so prominently so that society is at last aroused to ask the reason why, and agitate for some practical solution. Each of the two parties engaged in this industrial struggle claims the right to such methods of reprisal as it deems most effective; and so far as a sense of right animates either side of the conflict, just so far is the excuse or the justification. Still, the whole system, as indicating an abnormal condition, is more or less an evil. The outcome, even if on the side of justice, is, after all, but a result that ought to have been effected by reason and not by reprisal. It is true that the old bludgeon method of adjustments is going, but the old spirit dies hard. There is a fang yet in the jaw of the wolf, in spite of his modern sheepskin coat; for instance, the practice of "blacklisting," as adopted by some corporations. It has the merit of being very effective; its edict is final; it troubles no jury and sends for no sheriff; its machinery is purely clerical, with the magnanimous advantage of being operative wherever its agencies exist; it has its watch-dog by every door, and woe to the man who with its brand on his brow seeks for work and bread in any one of its departments. He is proclaimed by a corporation Czar. He is in Siberia, and yet under the dome of Washington. I well remember a workmate of my own being put under this ban of ostracism. He was discharged without notice, and the reason refused him. I did my best for his re-engagement; previous successes made me confident, but this case baffled me. I suggested application to another department, under the management of a humane and kindly man. He refused. Another was tried—the same result. I completed the circle, and in every case a blank but unwilling refusal—my un-

fortunate comrade sent adrift, with the onus of some unknown disgrace staining his name for more than six hundred miles. It came to my knowledge subsequently that he was blacklisted at the request of *one man*, whose personal ill-will was gratified in his discharge. This official could practically ruin any one he chose, as an offering for the corporation altar. Can this be right? Such cases are not few, and this inquisitorial arrangement has wide ramifications, as many a hungry man and shoeless child can testify. Corporations have a right to protect their interests from obnoxious or dangerous employés, but there is no law to justify the discharge or the disgrace of any man without giving the reasons therefor. Scratch a man's name from the pay-roll if you please, but hesitate before you wipe your quill on his character. This system of reprisal can never allay trouble or dam up the torrent of discontent waiting to flood society with strife.

On the labor side of the conflict we see "boycotting" resorted to as a method of reprisal. This is in scope and effect a tremendous means of offence. In connection with the stupendous organizations of labor it is practically omnipotent; its abuse as eminently disastrous as its use is effective. Its possible consequences are of serious magnitude. It is a civil war with a new weapon. Its effects, while primarily intended for offending parties, may reach to others outside the offence, and literally ruin and impoverish innocent families by the score.

In running the business of a firm, the head may retire to his country-seat, but what of the hands and the poor-house? Boycotting is as dangerous as dynamite, and one can but hope that it and all other reprisals will disappear as their causes die. The whole system of reprisal is out of accord with the healthy conditions of morality and progress, but its existence is, and forever will be, the outcome

of all industrial strife, till the principle of arbitration is paramount in the settlement of disputes, and labor finds its level.

CONSCIENCE IN CONTRACTS.

Contracts are one of the legal requirements of business. As between one man and another they have the sacredness and fixity of a bargain made binding by mutual consent and indorsement. The part it thus occupies in the varied phases of investment and industry places its value and ramifications beyond even an approximate computation. It can be elastic or stringent, wise or unwise, its status in these qualities made or methodized, according to the consent and conscience of the contractors. Accepting things as we find them, in the general trend of business tendencies and morals, it may be safely assumed that on both sides the direct and ruling idea is the personal benefit of each man concerned in the outcome. As each is guard of his own interests, so is he justified in their protection, and thus it is that the system of contracts is one in which outside interference is permissible only in the general way of results. At this point there can be but one law operative—that which belongs to the higher rules of conscience and common-sense. The condition of public virtue is the weather-gauge of its bargains. The law of competition may indicate the trend of values up or down, but no economic law can create or annul the higher principles that affect integrity, practical wisdom, and conscience in business. It is not altogether a hopeful omen of public virtue that so many contracts are made in which results as affecting Labor are but a secondary consideration, or are selfishly ignored. The sin of a pick-pocket, the greed of a Shylock, and the treason of a Judas may all be authorized and protected in the process of contract making. We have known personal pique and inhuman selfishness to be the actuating spirit

in these bargains, and so far as personal shame or responsibility is concerned, the onus is on the signatories—but the outcome of depressed values and industrial misery is like Herod's knife on the throats of the Innocents. The evil is of such magnitude, and so hedged with personal rights, that our industrial economics point to but one possible solution, and that lies in the partnership of all concerned both in making a contract and sharing its output. As it is, this contract armor protects not only the honest man but the knave, the industrial benefactor and the industrial villain. In the divided responsibilities of corporations especially the virus of this evil is so distributed that even a philanthropist may rejoice in a dividend exacted by absolute iniquity from the hands of industry, and know nothing of the methods by which his feast of fat things has been picked from poor men's bones. It is consequently not a matter of wonder that the most disastrous and colossal of labor reprisals and discord are evolved in a majority of cases through the huge joints of the corporation Pharos, in whose iron belly are the toiling and the poor. Said an eminent coal operator to me one day, when suggesting to him the principle of arbitration as the "missing coupling" between his counting-room and the mine, "I am not to blame for this strike; the corporations have been its cause. I am helpless. Their supply agents have to make smart bargains to increase their reputation and salary, and neither myself nor my men count for a straw in the matter. They have a perfect knowledge of my financial standing, they know to a ton the output of my mines, they know my dependence on their patronage, and having got me in a corner, they put their ultimatum under my nose—'Take this or nothing.' I wish my men well, and have a sound regard for my own interests, but in this case we are all alike—but so much lamb for a corporation wolf." This case illustrates

a great deal that does not come into public account when the nation is shocked with strikes and outrages. Meanwhile the causes of it all fatten on their contracts, and Nero fiddles as the city burns. The above is not a solitary instance, but it is enough to make my point in this paper—that a vast amount of discord and anarchy is not due to the want of new laws, but the disregard of the ancient maxim, “Do to others as you would they should do to you.”

There are more moral reasons than economic causes at the base of labor troubles, and till conscience is a factor in contracts, we shall find in business as in morals, when God is kept out, the devil steps in.

THE REIGN OF BACCHUS.

The vice of intemperance is in all its bearings direct or relative; perhaps, of all others, the most deplorable and destructive. The gravity of its magnitude and consequences in industrial life is best known to such as labor for its elevation and happiness. In the removal of this curse the best of men have exhausted labor and life; they have differed as to methods, but not as to object. It may be that agitation would have been more successful had its patience been equal to its task. Americanized philanthropy is gingerly impatient; it would dump vice by fiat. In cutting down the tree it forgets the roots. The grub-hoe is in some things better than the axe. Evil habits are not eradicated by a “hurrah,” nor extinguished by legislation or constables. It is the innate sense of this fact that makes so many good and humane men opposed to compulsory and drastic measures. The abuse of stimulants does not condemn their rightful use. Their occasional necessity is evidenced by the constant change in their forms and names. In meeting the evils of intemperance this fact must be

squarely met, for the average intellect cannot see the difference or the sin in taking a narcotic when sleepless, and a glass of ale when tired, providing the use of either stops with the necessity. In many of the hardships of industrial life men, if not justified, are pretty soundly excused for the use of the only stimulant they can command promptly and cheaply. Moreover, temptation to excess is located generally where, as with the spider's web, the flies are thickest. The grog-shop—the "hole-in-the-wall"—the cosey, snug, well-lighted, well-warmed tavern, are on every hand with open doors, where, as a rule, homes are without attraction, and in location and atmosphere poisonous. It is a well-known fact that saloons thrive best in such neighborhoods, not because the people are necessarily vicious, but in a certain sense necessarily comfortless. This phase of the evil has not escaped the notice of philanthropists, who, if the slower, were yet the wiser friends of man, who would cure evils by removing their real causes. In the higher circles of life home attractions abound, and social pleasures are provided in club-rooms and parlors; but with, say, a gang of miners who visit a town for their pay, where, as a rule, is any provision made for social gatherings outside a pot-house? The purchase of popular taverns in London, and replacing intoxicants with wholesome drinks, retaining all other elements that made them attractive, has been found an emphatic and positive good. It is worthy of example. It is, in fact, a social and reformatory necessity, and it may be that in the betterment of industrial conditions, and the replacing of old groggeries with such London institutions, will tell heavily on the drinking habits of industry. In this direction it seems to me that old Bacchus will have to vacate his throne, and be finally relegated to the medicine chest of the doctor, or the shelf of the druggist. As it is, the drinking habit is ruinous to body and soul. I have

had to do with its human wrecks in city dens, hospitals, prisons, and on ships' decks. These moral ruins have been objects of unspeakable agony. The rabid eye, the tottering brain, the palsied limb, and the broken heart, have witnessed to the fatal curse of intemperance; and, as a matter of experience, moral suasion with individuals was the only method of reaching them, and, as a matter of history, the removal of causes the most likely means of social regeneration. Stimulants will coexist with the planet. Intemperance will continue till the Judgment-day, but the dram-shop, as a legalized curse, will be replaced by the Coming Institution, that will add to the old comforts and dispense with the old drinks.

THE SLAUGHTER OF THE INNOCENTS.

Child-labor is one of the outgrowths of competition and low wages. Considerations as to results on health and morals have been ignored in the grand scramble for trade supremacy and the family exchequer. So derelict, in fact, have business and parentage been in this vital matter that legislation has been repeatedly invoked to check the evil. The prohibition of child-labor under a certain age, and the compulsory enforcement of certain periods for educational purposes, have been beneficial, though the fact of its necessity augurs but little good in business methods and domestic duty. In England, now an island workshop, the inspectorship of districts, the faithful application of law, the legalized enforcement of holidays, and the system of education by relays, has done much for children. It remains, however, a standing evidence of some wrong condition in our social order, that the burden of toil and the curtailed opportunities of education should cast a grim shadow on child-life. If the rights of mind and the claims of the body are a necessary sacrifice to modern existence, the

proof is indisputable of social wrong and economic sin, awaiting something to revolutionize its conditions. Said an old chartist, with the salt of the North Sea in his gray hair, as he bade me fill my infantile lungs with the ozone of the ocean, "When thou art a man, my lad, remember that all children have a right to fresh air and good schooling, and what stands in the way of that give it a lick." In after-years this idea of a British radical has gathered strength, more especially when in an official sense among the children of the poor, working in mills and factories. The bleached and wizened faces of these lads and lasses, with no stamina in their spines and no neck between their ears, pining in stifling air, and lean with poor food and hard work, with precocious gifts of profanity and social vice, and but half conscious of parentage and home—these were shadows on the wall of a pernicious and demoralizing system. The physical results alone were a counterbalance to all commercial prosperity, begetting a race of pygmies and invalids. In a national sense these effects are already manifest. The old British race of muscle and stout spines, challenging the world in robust health and athletic prowess, is falling behind its traditional glory. In philanthropic work among soldiers the fact of this lowering status was painfully evident. The old standard of height and girth had to come down, recruits from manufacturing districts were alarmingly deficient in sinew and soundness, and the old veterans, bronzed and broad-shouldered, of former days were as a distinct race among the sallow and scraggy men of later times. Undermine national health, and its glory is on the wane. Again, the moral effects of child-labor are in ratio with physical degeneracy. The child-vice of this age is alarming, as medical men, magistrates, and schoolmasters know; and if it is true, as observation convinces me it is, that the early period of life sets its after-currents

to the right or the left, then it is but the fulfilling of an inexorable law that a ruined childhood is the basis of corrupt and hopeless manhood. If such conditions are the primals of the next age, what will it be in individual character or national progress? It is the eminent duty of all well-wishers of human good that this evil should be removed, and the rights of children zealously protected. We are not yet a hemispherical workshop, though ambition has it on its programme, and the full measure of this child-peril is but loosely estimated. It remains, however, as an inevitable sequence, that if we fail on this line of duty, we shall but repeat the old story of national decay.

THE BUREAU OF LABOR—A TRIBUTE AND A SUGGESTION.

The Bureau of Labor is a modern institution. It has the merit of being a public good, and the importance of being a national necessity. Its existence is a condition of the higher civilization that has crept out of the old shell of feudalism, and is making humanity of more importance than the millinery of courts or the proclamations of kings. This grand instinctive sympathy of man with man—the one-anotherism of the common race—that is germinating such institutions as the Bureau of Labor, is about the most consolatory fact the student of the times can stay his hopes upon, amid the disintegrating elements of modern society. That this Republic has aligned itself with this humane endeavor is a credit to its statesmanship and an augury of its future. The Bureau of Labor is a tribute to the conscience and sagacity of the Commonwealth, and it only remains for Time to spread its influence and information to insure it a high place in public opinion. The awakened interest in the Labor question owes not a little of its stimulant to this institution. Its incorporation of facts and figures, its revelations of disturbing causes in industrial life, and its

suggestions of what is wanted as corrective or remedy, with the added authority of investigation, gives eminent opportunity for statesmanship to meet the issue, and the public to measure the duties and needs of the hour. The future will probably amplify its functions, for as yet it is in an experimental and constructive stage. It will outgrow a statistical agency, or a supply department for economists and legislators; that alone is a direct and positive good, but it seems to me that in addition to this there is formulating with these bureaus a possibility of putting the hand to the plough as well as the pen. One of the most important developments of office, sooner or later to become an outgrowth or adjunct, is in the direction of providing information for labor seeking employment, as well as to statesmen seeking facts. We see here and there, across this majestic continent, the migratory elements of the Labor world. We are crowded with nomads, who are seeking the right locations for employment. These men are, many of them, at the mercy of a rapacious crowd of contractors and intelligence men, who, to boom a new town, to reduce wages by over-crowding the market, or secure a commission, will by fraudulent representation mislead and impoverish the men who are in quest of labor. There are more victims of this villany to the square acre in this Republic than perhaps in any land under the sun. It is a growing evil and a national shame, and counts for more bad blood and industrial discontent than Mrs. Grundy can possibly imagine. Its remedy, to be effectual, needs the authority and State facilities of our Bureau of Labor. They might become central directories of labor, if in no other way yet in this, of being able to answer all inquiries pertinent to the emergency. It would add to the work, it is true, but if by any means it could add to labor protection and guidance, it would be endowed with additional authority and,

with means equal to its task, be yet even a greater good than it is. Under the shelter of its State jurisdiction migratory industry would no longer be at the mercy of the dishonest, and one of the gravest of human needs in modern times be promptly and effectually met.

SOME POSSIBLE HUMANITIES OF LABOR ORGANIZATIONS.

It is not likely that the adjustment of labor disputes will close the existence or usefulness of its organizations. Their work will not cease with the wrongs that summoned them to conflict. As a factor in social and economic reform the labor combination will keep in camp. In copartnership, with agencies already in the field for the amelioration of human necessities, it will, in its strength of combination, be an attribute of success. Its benevolent associations indicate its spirit in this direction. Social science, as outlining public duty in sanitary and other matters, will add its departments to the jurisdiction or co-operation of labor combination, as being the most directly interested in its services. For instance, the homes of labor, grouped too often in surroundings of sanitary death, and overcrowded, to the joy of landlords and the business of grave-diggers. This is a matter that sooner or later will command the searching consideration of all who are at all concerned in the welfare of industry. The initial step has been taken in compelling the removal of some sanitary nuisances from populated localities. The location of a tannery or a slaughter-house is now a matter of public interest. Our old civilizations had no such scruples. Landlords and traders had the right to do as they pleased, if they owned the land and paid for the bricks. They might make boilers or soap as they chose, though the noise of one reverberated in an hospital, and the savor of the other was spread in a school. This kind of liberty is being abolished, at least in respecta-

ble localities, where mansard roofs and mullioned windows have an extra claim for the protection of lungs and noses. To give ten dollars a week the protection that is given a thousand per annum, on the ground of common rights, is a phase of reform that it would be well for Labor to help along. There are in the suburbs of most cities locations where healthy homes could be secured and capital found to provide them, if organized effort was made in that direction. Transit to and fro could be secured by the same means, and at such rates that Labor could have its cheap ride, as its employers with a season ticket and a rural villa. The issue of penny and weekly tickets for workmen on some of the railway lines of London are an evidence of what may be done in this direction. In railway experiences from the Tyne to the Thames, nothing more significant or of pleasure to myself than these bits of pasteboard—the silent texts of a new gospel, by which the pallid-faced and air-poisoned masses found their way to sunshine and sweet air, the daisies and the skylarks, theirs by will of God, though denied so long by the sin of society. The colonization scheme, as in present operation in Claremont, Va., by which workmen, on the payment of monthly instalments, can secure ten or twenty acre plots of ground; and, if they choose, have the same improved and planted with fruit-trees, under the supervision of the sagacious manager of this enterprise, is not only of national moment as affecting the destinies of the South, but of importance as an indication of what is possible in the way of workmen changing their conditions. This "Mancha idea" is a happy combination of beneficence and business. The protection of migratory labor in its search of employment, as suggested in a previous article on "The Nomads of Labor," is on the line of organization duty, and calls for prompt and vigorous service. The humane provision for bodily

accidents in trades and occupations where they are likely to happen, and as more fully set forth in another part of this chapter, is of more direct importance than many of the issues on which time and wind are thrown away. Legislate for the shambles of industry, with its annual wagon-load of hands and feet. There would be fewer fingers and toes on our railway tracks if our labor organizations pressed the matter of safety couplings. Their possible humanities are increasing, and perhaps less of parades, mummery, and gold-lace would be of advantage in practical dealing with such human needs as we have outlined. Anyhow, the phases of usefulness possible to the labor organization indicate its line of duty and its beneficent future.

THE HOURS OF LABOR.

The expenditure of time in securing the necessaries of life is a question of public concern. Its direct and relative bearings involve many vital and social issues. As affecting the individual concerned, in health, morals, and mental development, and in the relationships of the family and the citizen, its true issues are manifest. The home influences of social life are the constructive forces of its security and progress—a girdle of vitalities which, when cut, lets anarchy and crime run loose, and develops that modern barbarian, the savage of civilization. Its relationships and duties, if hindered or annulled in any shape, have the precise characteristics of all vital issues, which, if not appropriated, are as pernicious as they were beneficent. Our juvenile depravity—the generation coming up—who know but little, and care less, of parental guidance and discipline beyond new shoes on pay-days and a dinner-pail, seen only on Sundays, are direct results of such cases of long hours, which, though comparatively exceptional, are yet too numerous. There are children to-day in most of our large

cities who never yet saw their father by daylight. A man's life was not given to be sliced off in fifteen-hour chunks of toil. No condition of industrial life can be right that thus ignores the home functions of its constituents. The ten-hour system was in this sense an act of social self-preservation. Its unnecessary violation as too common is as pernicious as unjust, and is certainly doomed to extinction. The axe is laid at the root of the tree. Man is awake to his needs and rights. Education has quickened his appetite for knowledge. Enlightenment reveals other needs than those of buying his bread and his boots, and the era of applied science is at his door, with its marvellous labor-saving methods, quadrupling the output of industry, and making the shortage of industrial days an economic necessity. The clock of toil is shortening its pendulum. It would seem that though modern discovery has added new needs for Labor to its forces, it has yet come into operation at the juncture when Labor itself finds new needs and aspirations in its life. The two lines are in equal motion, and are without doubt a part of the Divine economy by which the discovery of new forces is made a factor in human as well as industrial developments. By this law the hours of labor are scheduled, and though the eight-hour agitation may be premature, it indicates an economic current running that way. Its present bearings on production and wages are matters of moment and study. Opinions are in conflict as to some results, but neither dividends nor profits can swamp the vital issue, that the man is more than the mill.

There are employers who grudge even a legal Sunday as a parenthesis in the making of money, and there are employés who are equally as rapacious; with each of these every step in the direction of shortened hours is opposed. With such a class it is a cent against a sentiment, money

versus man ; but not even this spirit can keep the edged tool of justice from the most payable of wrongs in any business or with any men. The equitable arrangement of time in industrial life is governed by economic and moral laws, and its bell-rope is in hands that make their own time-table.

THE ECONOMICS OF DISTRIBUTION IN COPARTNERSHIP AND CO-OPERATION.

Distribution is in obedience to economic laws, by which no one man or set of men can have the exclusive possession of wealth, wisdom, or power. Its processes are in continual motion, and it has never yet been given to emperors or empires, millionaires or monopolists, to escape its agencies. The builders of Babel have been extensively copied, but its new architects and bricks have gone in the old way. No padlock has yet been permanently put on God's granaries, whether of government or bread. The silent but inevitable law of distribution has ever been detaching chips from all monopolistic blocks. Civilization is its witness. The luxuries of life once the portion of the few are distributed among the many. The royal right of an old duke is now on the plate of a pauper. Knowledge once limited to monks and men of means is now the birthright of a shoe-black. Arts that minister to the eye and the ear, once restricted to baronial halls and dowagers, are scattered in chromos and advertising cards, and warbled on tin whistles and mouth-organs. Wealth in lands or money join the procession, and though poverty increases there are more men rich to-day who began life with a crust and a spade than ever before in the history of the human race. It is true that wealth in many cases runs its rain into big tubs and monopoly tanks, but this does not exclude the coexisting fact that its distribution is beyond previous historic

proportions. The outcry against wealth as an individual right, with the exception of extreme socialists, is not so revolutionary and general as some suppose. There is enough of common-sense in the average head to make the distinction between the abuse of money and the right to possess it when legitimately obtained. Wealth not inherited or stolen is recognized as the product of industry, investment, and the qualities of energy, persistence, and sagacity. Distribution has been according to fitness, and so we see it where men who once wore blue jeans, and eat their potatoes with the skins on, have risen into higher conditions of life. It is the abuse of the money power, in forcing values up or down to the detriment of industry, by corners, deals, and monopolies, the grinding of poor men's bones as grist for dividends and share-holders, that has set the teeth of the people on edge. It is true these methods have their own punishments, and the kings of Wall Street are sometimes brought to poverty and a broom-handle, but the sin of the whole system of financial gambling and rapacity remains as the bugbear of industrial life. So the adjustment of wealth, as opposed to its vicious accumulations and uses, is projected on the public mind as a possible solvent of its evils. The principles of copartnership and co-operation come in as a new force to the old canon of distribution, and on the same line as has come our common modern heritage of what was once exclusive and limited. The two factors named are a unit on principle, and without doubt the nearest approach to industrial and social justice. Here again, in new conditions as in the old, the law of fitness will work the same as ever. The attributes of success remain unchanged. There will be princes and paupers, according to the same rules. Between a bankrupt organization and an individual poor man, the difference in terms will make none in the hardness of a crust or the

absence of a dollar. Aptitude, brain, and energy will continue to grade society with rich and poor. In this matter the millennium of the socialist is a delusion. There is no escape from the economics of distribution by giving new names to old facts. We can duplicate every tyranny and wrong, and every phase of pauperism, in any possible condition of industry. There is no Arcadia in the future for any man who is behind his duties in the present. Co-partnership and co-operation are grand methods. Their part in the industrial life of the future will be beneficent and progressive, but the granite of the old virtues will forever remain as the foundation of prosperity and happiness.

POSSIBLE PERILS IN LABOR ORGANIZATION.

Organization, as a science by which a unit is made of numbers, is rapidly becoming a vital factor in modern civilization. It is already the text-book of agitation and reform. It is systemizing human needs and rights into solid and disciplined combination, and thereby giving new force and prominence to what it unifies and represents. By concentration it has introduced an element of strength which, for good or for evil, is beyond all others history has yet recorded. In its older phases of governments, corporations, and monopolies, it has had, with all its sins, the advantage of prestige, intellect, and power. Education has provided it a new competitor, just as distinctly human in its faults and virtues, and its possibilities of good and evil, with the disadvantage of inexperience and less knowledge. This later form, grouped under the caption of Labor Organization, though above all others in equity and beneficence, starts with the encumbrance of membership that, under social wrongs, has had less opportunities to study than to suffer. To control passion and dissipate ignorance, to teach and to discipline, is no small part of the task it

has undertaken. To succeed in this is to succeed in all. Duty and danger stand together on this plank. Blind methods and bad officials are the millstones that sink societies as well as empires in the sea. In this its early life, and with some milk yet in its bones, it cannot be too careful in seeing to its education and habits. It has the support of public sentiment, and so long as its methods and spirit are on the line of sagacity and justice it will retain it, but any persistent deviation therefrom will estrange its best friends and end its usefulness. In a general sense, all things considered, and separating the excesses of outsiders from its franchises and responsibility, it stands out in broad daylight a hopeful and beneficent existence. Its future is in its own hands. It is its own architect. Its immediate danger crops out of its sudden development of strength. Hercules is apt to act the bully, and there are symptoms at times of a disposition to act arbitrarily, if not yet worse. These may be traceable in some cases to local indiscretion and officiousness, but they clearly indicate the possibility of being meddlesome and overbearing. Said a prominent contractor in my hearing, "I believe in the need of trades-unions, and have largely employed union men, but when they dictate as to whom I shall employ and whom I shall discharge, I stand on my personal rights. The order has just been given, 'Trowels down,' because I refused to give a certain man the same pay for laying just half the number of bricks other men were placing for the same wages. I cannot, on business principles, give an inefficient man the same pay as the best because he shelters his incompetency under a union ticket." The logic of this was incontrovertible, and the case a plain infringement of justice, and as with all others of the same kind, reactionary. Such methods are out of common equity, intolerant, and suicidal. Organization sheepskin fails to make mut-

ton out of wolf. A danger less discernible, but equally disastrous, is the national affliction of political influence. This disease, peculiar to the soil, is practically without limit, except with Chinamen and convicts, and its green eyes are already set on labor organizations. Politicians have suddenly developed into labor sympathizers and able-bodied advocates of its claims. In this matter a clean slate is necessary, and the old Gladstone warning of "Hands off" is of vital importance. Suffrage is a matter of personal volition, and is not to be disposed of in solid blocks. The individual citizen has his duties and his rights, but his industrial combinations are not to be split in two with the political wedge, a sacrifice too dear even for a demi-god with his throne in Washington. To become but plastic putty on a political thumb, and so manipulated for the interests of spoil and power, would be a grave and fatal evil in labor organization.

ARBITRATION IN THE JUDICIARY OF LABOR.

Civilization is never a consummation. Its conditions are mutable and changing. It begets, and is begotten, and in line of parentage and descent is a series of evolutions, in each of which some particular force or quality has asserted its individual volition. We are but the human ingredients in this continued progress, meeting all along the line with new conditions, in which the qualities of mind and morals are subject to new tests and set to new duties, the one immutable verity remaining through all the strata of history, that Truth and Justice are the abiding and unchanging law of all progress in individual character or national life. In this divine granite the rights of all men are set beyond removal and above decay. Faith in this sublime verity has made our heroes and established our liberties. As before said, we find ourselves confronted with

new phases of responsibility and duty, and the one at present the most momentous is the disturbed relationship of Labor and Capital. There is no escape from this impending crisis save in accepting it as the problem of the age and setting ourselves to its solution. This fact is generally accepted, and the statesmanship of our best thinkers is in sympathy with the needs and the duties of the hour. The most prominent and pronounced formula of reform is the principle of Arbitration, by which, in all disputable cases of industrial discord, reason shall have its fair and full opportunity, and give to both Capital and Labor an equal standing at the tribunal of Brain and Justice. This is in accordance with the spirit that is coming into phenomenal activity in this century. In civilized nations disputes that once led to an appeal to arms are, in spite of stupendous armaments, yet more than ever in history affected by public opinion, and a just cause is to-day more terrible to despots and diplomats than the arsenals of Woolwich or the guns of Krupp. The Geneva initial of this new departure, as settling a grave dispute between this country and England without the rattle of a musket, was a step made memorable forever, and was in its methods and outcome distinctly humane and prophetic. This self-same principle is the one needed in industrial disputes. It stands to common-sense and good reason that its virtues, if operative on a bayonet, are equally as effective on a chisel. If it made brain superior to bullets, it can make the same promotion of Reason over and above brick-bats and dynamite. The old style of brutal reprisal must eventually go, and the relative duties and claims of master and man submitted to a verdict as sacred as public sentiment can make it. This is to be the output of arbitration, and its adoption will be one of the memorable accomplishments of our present civilization. Its use has been demonstrated, and its further elab-

oration will add to its indorsement. In what it represents and signifies, as an appeal to reason and justice, its possible benefits and ramifications are beyond calculation. Its methods are as yet but secondary considerations. Experience is the best statesmanship for all formative reforms. Theories may be many, but facts rightly read are a unit in wisdom. It is not claimed that in ALL cases arbitration will be effectual. It cannot so be said of any measure announced either on Sinai or in Washington, but it may be safely predicted that in the application of this principle, however methods may err, the spirit is unassailable. It is not a solvent for every evil. It has its PARTICULAR WORK. It is on the line of progress. Public recognition will add to its value, and repeat in the workshop that message of Deity heard in His Temple, "Come, let us reason together."

GHENT AND LEICESTER—TWO LIGHTS ON COMMUNISM.

It came about that in the year 1877 the general congress of the "Internationale" was held in the old and somewhat famous town of Ghent: the said congress a cosmopolitan concern, made up of many "nations, kindreds, and tongues," its deliberations, as a consequence, of universal import, involving issues many and manifold. As an organization its scope and programme are prodigious. No interest, government, or religion escapes the fold of this social anaconda. Its head in New York, its tail in Egypt, a veritable mammoth. At Ghent it was moderate and sensible. Its council-chamber was severely simple, and clean-swept of all pomps and vanities. It is true that the delegates "wetted their whistles" with Belgian lager, and that, as a type of the coming woman, one of such served out the brown and inspiring fluid; but are not politics and beer kindred souls everywhere in the world outside of the State of Maine? The council itself had a hard row to hoe. On the Hague,

in 1872, it had been a "house divided against itself." To pick up the pieces and cement them together was the first duty of common-sense and policy. It was so recognized, and in a certain rough fashion accomplished. The olive-branch hung high; the wolf and the lamb ate grass together. This was called the "Pact of Solidarity." It had generous elements, embracing "trades-unions," "socialistic propagandas," "communistic colonies," and all such clubs as were ready to use any and every means to hasten the data of socialism. The governing idea was revolution. The maxim of Marx, that "force must be the midwife to bring into the world the new society," was indorsed. There were a few who, in justice let it be said, opposed the doctrine of violence. A certain Swiss delegate advocated the peaceful "moralization of the people," and pointed to Germany as an example, where six hundred thousand votes had placed eleven tried and trusty socialists in Parliament without one tap of the revolutionary drum. But be that as it may, though the means differ the end is the same. The programme is cast-iron, and it means the absolution of wages, of capital, of property, and of all government not socialistic. This is thorough. It pulls up by the roots; it smites as Samson did, hip and thigh. Whatever mystery may belong to its movements, there can be none as to its principles; and yet who shall say but "the gopher may get under the corn," and social liberty be invaded with the velvet foot and the dark lantern of Guy Fawkes, his matches lighted, his powder dry, and Mrs. Grundy in the peace of her parlor overhead. We are to-day in the prelude condition of such a calamity. The necessary elements abound—labor in forced idleness, hungry men, corrupt public officers, ambitious demagogues, and a huge army of general dead-heads, eager for anything that promises a free lunch, cock-tails all around, and the unspeakable fun of putting its fork

into another man's potato. All this is so much dry wood for the international match, but apart from this, as a system of social ethics, the new gospel has few converts. It can never thrive here, for, like the leprosy, it is a climatic curse. It is a failure in Northern latitudes, and only roots itself in such races as are clannish, gregarious, and hot-blooded. It has never yet gone the length of a tenpenny nail in Anglo-Saxon oak. The strong sense of right, of fair play for you, me, and everybody, and the peculiar, almost solitary individuality that marks the race, make socialism foreign to its instincts and habits. It is the lone, colossal Cromwell on which so-called communism falls spent and harmless as rain on rock.

The labor convention held at Leicester, almost simultaneous with the congress at Ghent, illustrates this historical fact. This convention, though convened at the dictum of a trades combination, was, in fact and spirit, an appeal to reason as a supreme force in righting social and industrial wrongs. It was a departure from the gospel of violence, and in itself prophetic of a possible harmony between Capital and Labor. That, after all, is the coming question to be settled on the platform of intelligence or the wreck of revolution. This Leicester convention was not exclusive. It had no sentimental horror of a rich man. He was there, one with the rest, a unit with the issue. This example, in its attitude and office, is commended to American attention. The central figure of Brassey at Leicester, wealthy and noble, standing up between conflicting elements, not as a pleader for either, but an amalgam of both, is an historical example: "Go thou and do likewise." Such men and such a spirit are the need of the hour—men broadly human and bravely just, whose deeds inspire integrity, and whose brotherhood leaves no Lazarus at the gate, to crumbs, stray dogs, and flies. Would to God this nation in its present

crisis had more such men as these. From the crown of the head to the sole of the foot this people are ailing. It must go back to Plymouth Rock for health. Its spirit of speculation must tone down to honest trade, on the old-fashioned plan of square dealing. The era of extravagance must shut down, and prefer rye bread and a spare cent to toothsome cake and a mortgage. Men in office must be true to their trust and the vote that placed it in their hands, and then, maybe, on this leverage the nation may come up from its descent into discord, corruption, and Pittsburg.

THE RACE ELEMENT IN SOCIAL TROUBLE.

The race element in all social trouble is showing its hand. It is already changing the profile of national character. We are in this Republic a fusion of races, on the basis of common freedom and a common language. That basis of law and language held in abeyance discordant elements, and described with its masterful spirit the widening circle of our strength and progress; it has unified the varied importations of foreign bloods and the necessary antagonisms of prejudice, creed, and color. The formative gift of the primal stock may never be completely obliterated, even if minimized by the influx of other races. Hitherto the consideration of race in our future has been subordinated to the material and constructive duties of building up the fabric of a country and a nation. We have at last reached the stage where this forgotten question is forced on the public mind. Labor trouble, with its concomitants of socialism, communism, outrage, murder, red flags, and petards, have thrown race influence into prominence. It would indicate if not establish the danger that the hot-blooded races, emotional, savage, and clanish, would submerge in a sea of kerosene the old Saxon

solidity and granite. In labor outrages the nationality of its leaders would be a wholesome revelation to that class of politicians who make political pets of races, and who would wine the devil himself if he could cast a ballot. The evil in manufacturing centres is more or less the outcome of competition and commercial greed. Operators have led the way in the direct importation of races whose ignorance and habits of life find in low wages and stale bread enough and to spare. This plastic material, that eats but little and costs less, has in many cases made the immigration of better workmen a grim necessity. The forcing of this cheap labor on the market has had much to do with industrial discord and trouble. It may have increased dividends on the one side, and it certainly has dissension on the other. It was a short-sighted policy, to say the best of it, for it brought on the ground the elements of graver evils than it sought to evade. The wolf once satisfied with a bone now clamors for his dish of mutton. The constituents of these labor importations, mostly from Southern Europe, are soaked through and through with ignorance and superstition, and are festering yet in body and soul with filth and clannishness, a blister on the social body and a check to its advancement. As a Republic, with our gates wide open hitherto to the world, a home for labor and a refuge from wrong, it is not easy to see our way out of the race dilemma. The surplus populations of Europe have only as yet begun their western march; the future will see its columns crossing the Atlantic Jordan. The cradles of continents are rocking our future citizens. The worthy are welcome, the worthless are not; and it might be a step in the right direction, so far as labor interests are concerned, that such employers who, by direct contract, procure cheap labor from abroad, should be by law compelled to pay a high tariff on such merchandise.

We protect the trade of the mill, and it might be equally just to protect the labor of the man. The late outburst of public feeling on the Pacific slope against Chinese labor is significant. We cannot indorse such outbreaks, neither can we afford to leave the reasons undiscussed: the whole matter indicates the coming importance of the race question. We are the dumping-ground of the other hemisphere, and if not in justice and strength of national character able to absorb and assimilate it, it is but a question of time when Plymouth Rock and all it signifies will be buried in European garlic. The more perfect our freedom the wider our education, and the more prosperous our industrial centres, the more of justice and the less of wrong, the greater our safeguards in preserving not only our language and our laws, but our liberties.

BRICKS WITHOUT STRAW.

Injustice within legal limits is always possible to a shrewd man, and a common practice with an unprincipled one; so much and so commonly so that usage and custom have given this evil the sanctity of consent and the shelter of protection. In the daily round of industrial life this spirit walks unblushingly; its ways and means a part of the business programme, labor supplying its spoils, the scissors always going in the poor man's wool. For instance, A—, for his week's labor, has his pay part in cash, and the residue in an order on some particular store for such provision, etc., as he may need. He may have his own reasons for preferring some other merchant or store, and perhaps he has a certain well-justified idea that this credit business places him at a disadvantage in the quality and cost of his purchase. Be that as it may, he has no alternative but to suffer and submit. At the end of thirty days his employer pays the bill and receives a discount, some-

times as high as ten per cent. Who pays it? The workman.

B—— has filled his week, and has his pay in warrants. They are worth their face for tax-payments, but fail in the purchase of bread and butter, except as a favor or at a loss. B—— hears of an office or man who advances eighty-five cents on the dollar. He has to accept it. Who loses in this transaction? The workman, who has given his richer brother the value of two pounds of prime beef-steak for every day in the week, himself obliged to eat hard bread and herring.

C—— is paid in instalments. He earns ten dollars and receives eight—the rest held back for various excuses which it would cost him his employment to dispute. In fact his dues are never paid till he leaves the establishment. In large concerns this money borrowed of workmen amounts to considerable sums, and can be manipulated in business with heavy profits. Who lends it at a personal loss? The workman.

D—— is paid in paper-money issued by his employers, and only current in certain prearranged directions, the object being to secure a profit out of his purchases as well as his labor. He may be the better or the worse in what he buys, but if there is a loss or a disadvantage who has to stand it? The workman.

E—— is fifteen minutes behind time—it may be laziness, it may be domestic sickness; by the rule of the shop he forfeits an hour's pay. Not being likely to idle away the rest of the hour, nor to attract notice, he goes to his work; and the earnings of the forty-five minutes—who gets it? The employer. It is of course right to enforce punctuality in business; the loss of a few minutes with a hundred men is, when totalized, of considerable importance. Its remedies must of necessity be severe, but that is no rea-

son or justification of a system that, when pushed to extremes, punishes a man for a mistake in his clock or a corn on his foot by picking his pocket.

One might multiply instances without number to illustrate the mercenary spirit that needs exorcising out of industrial life. Its evil is not only in what it steals but in what it teaches. It is contagious and epidemic. Its greed is transferable. The selfishness at one end of society has its route marked to the other. Such a spirit is not likely to be localized, and if its transmission is furthered into labor organizations they will become a huge monopoly of numbers, duplicating the spirit from which they primarily recoiled. The relative influence of injustice is part of its retribution. The evils named in this connection may appear insignificant, but it is these "little foxes that eat the grapes." It is not the massiveness of a wrong that constitutes its danger; a worm in an oak can do more than a whirlwind. The foundations of social existence are not to be moved by crow-bars, but by the silent mildew, the trickling damp, the rat's tooth, and the corroding gases; and the labor trouble, gigantic as it seems, is a make-up of such evils as men who know no better underrate or deny.

EDUCATION AND INDUSTRIAL EMANCIPATION.

Education is the sap of civilization. The influence of one is the virility of the other, and marks the distance in social progress between the citizen and the savage. Its expansion in industrial life is at once the cause and the safeguard of its progress. In tracing the lines of all social upheavals its influence is manifest both in their methods and results. As affecting the virtues that build up personal character, it is constructive but not creative. It has its limits in the world of morals, and falls short of making good men out of good scholars, as our police courts plainly

evidence. It is possible for an educated man to be behind a barbarian in honor, honesty, and righteousness. We emphasize this to guard against the somewhat popular delusion that an educated people are necessarily virtuous and happy. In its own functions and limits it is indispensable in the struggle of modern life and the discovery of the best solutions of its problems. Ignorance with a sense of wrong is blind, and its methods of redress are brutal and self-stultifying. It may be accepted as a fact that the outrage and diabolism that occasionally crop out of strikes and lock-outs are in most cases directly traceable to men who never carried the alphabet under their caps, or wrote their name on a slate. In the spread of education the evils named, if not annulled, are considerably reduced. The labor element is already conscious of this, and brain is slowly but surely coming to the front. Men who read and think, who are capable of judging the merits of their claims and their duties, who read the newspapers and discuss the signs of the times, and are cognizant of the laws that regulate social and industrial conditions—these men are not likely to commit violence on their own interests or those of another. It is in the certain increase of such men by means of education that we see the ultimate adjustment of industrial difficulties. Its effect, as diffused in all branches of labor, will make possible much of the good we now see but are unfit to receive. Fitness is the condition of possession. The law that regulates social progress makes every advance conditional on capacity and aptitude. We too often whine for the golden apple, forgetting the ladder that will bring it in reach. Many of our labor millenniums are mercifully postponed till such of us who would eat the fruit have grown our teeth. The principles of copartnership and co-operation, recognized as the only alternative of socialism, are more or less ahead of our abilities to man-

age, or fitness to insure success. We cannot play leap-frog in industrial progress. Patience, knowledge, thought, and practical wisdom are the indispensable requisites. If half the time expended in hooting this and hurrahing that was utilized in seeking information and knowledge, we should be some miles nearer the goal of our hopes. Read more and shout less. Think and thrive. Educate—educate by any and every means that can broaden and brighten the industrial mind—by libraries, lyceums, and a knowledge of economic laws, and trained, disciplined intelligence will insure the possession of all freedom can give and justice demand.

The minimum of education that has already found its way to pickaxes and hammers has done more to advance the interests and influence of labor than all the blows ever struck with a bludgeon or a pike. Between the serfdom of our ancestors and the privileges of our children there is the difference of light and darkness. The educational bridge keeps us out of the old ditch.

THE STEWARDSHIP OF WEALTH.

What a man has in excess of his present and prospective wants is a trust. Personal liberty gives him the choice of its use or its abuse, but moral and social responsibility holds him to account and future judgship. The means of benefiting another are an individual stewardship. This truth has no exceptions. It cannot be bought off by a millionaire, nor silenced by mortal man; it is the invisible but unavoidable sheriff that follows gold to the miser's stocking and the prodigal's pocket. In a general sense, this truth, while allowed, is conveniently ignored and pleasantly forgotten. The old Hebrew simile of the camel's hump and the needle's eye has a peculiar significance in these times, when the camels and the needles are so many. The

modern accumulations of wealth are unexampled in their magnitude and number. Fortunes that would have been fabulous in the near past are common facts to-day. The economic reasons or sins by which the golden rain is run in one tub, to the loss of a hundred others, are not in our province to discuss; the duties that come with the means is the immediate concern. It is a fact in all history that gigantic wealth and gigantic want are twin conditions; the prince and the pauper keep step together. By an un-deviating law of economics the social world increases in its wants as it does in its wealth. There is, in fact, no surplus in its treasury, and such as hold its keys and have their names on its doors are the temporary stewards of its contents—a responsibility which, when duly considered, makes it a serious matter to be richer than your neighbor. There are examples of wealthy men who, in obedience to this vital law, have shaped their lives accordingly and been the princely benefactors of their race. The one example of Peabody illustrates the spirit and practice of such men. His provision for the poor of London, wisely directed in the channel of sanitary improvements, has given model homes to labor; the viciousness of landlord sharks and the sins of architects removed from the firesides of the poor. A noble conception and a great work. So with others who have founded hospitals, endowed schools, provided free libraries, replaced dram-shops with workmen's club-rooms, donated parks and museums, art-galleries, etc., for the well-being of their poorer but human neighbors—these men, the Samaritans of wealth, have made their lives coequal with their means. The call for such a spirit is as loud to-day as ever; the need of such institutions is as great. The sense of public shame for men who neglect these opportunities grows. A millionaire that is nothing more—outside his parasites—is less than a man, and so

held in public judgment. Society is coming out of the old illusion that the length of a purse-string is the measure of a man. Selfish wealth is estimated as but a mouse in a big cheese, and I doubt if in its own heart it has any higher idea of itself. There is a poverty-bone in every golden skeleton. It is the penalty of greed to be always hungry, and the epicure has his tape-worm for a Nemesis. Verily the man is richer, however poor, that shares his salted herring with a neighbor. In looking for what is left as heritages of good to human-kind by many who now sleep in silken shrouds and under monumental marble—alas! like the horse-hoofs of Attila, they have taken the grass and left but dust. It is time the stewardship of wealth should do its duty. Its priests may be dumb and its parasites neutral, but its responsibility remains sovereign and commanding. The right use of its trust is the real value of its gold. Its opportunities are many and manifest, and when utilized will cast "oil on the troubled waters" of social discontent. The stewardship of wealth, if a forgotten doctrine, is yet an awful verity.

THE CRUSADE OF THE CRUST.

There is much of poverty that is directly traceable to industrial wrongs, and as such can be permanently extinguished; but there is not a little, and far more than the bulk of mankind supposes, that is conditional on circumstances that are unavoidable, such as misfortune, accident, ill-health, trade stagnation, and even on the sublime principle of self-sacrifice, that has never been without its martyrs and its heroes, in the shadows of back streets and under the coverlet of city smoke. There is also a vast horde of men and women who by evil habits are in a state of chronic want, and who by hereditary taint and training prefer a bed with a rat and a bottle, or a crust with a dram,

than self-respect with a clean shirt, or a white loaf with brown hands. These are our social Huns, the festering lepers out of which the hangman finds his material, and the reformer his foe — implacable and incurable save by the omnipotent agency of Christian faith. With this class we cannot classify the worthy and honest men who from reasons outside themselves are at times in need of a hand to "help a lame dog over the stile," and as a satire on many of our charities this class of needy poor are the last to come within their range. In this Crusade of the Crust the audacious and the unscrupulous carry off the spoils. The dead-beat and the thief, the confidence man and the sham cripple, can any and all of them be first at the corn-cribs of charity, and the truly deserving but less aggressive find but the leavings. Our charities have suffered from lack of common-sense and organization, and their management left to big hearts and little heads. Discrimination and practical sagacity are their needs, otherwise the caterpillar will multiply with the cabbages, and the question be, which of the two shall last the longer? In a city of above seventy thousand inhabitants, with whose dens and poor I was familiar, this evil was an uppermost fact in my experience. Societies deputized their silks and satins, fresh from picnics and croquet-grounds, to disburse their charities. Perhaps the gift of a shilling and the smell of a city slum might atone for some society vanity, but it failed to compensate for the inexperience and ignorance of human nature, that to my personal knowledge has fed with its jewelled hand the vice that put on rags and chalked its face to obtain the cash that as soon as its fair giver was gone went to the tavern for a "pot of stout," while virtue, with a clean door-step and a thin frock, was starving on knitting-needles and crackers next door, overlooked, neglected, and forgotten. On this side the Atlantic, in a western city, under the same

methods of procedure, I have seen groceries and coals going to a shanty where the woman annually discarded her husband in winter for dramatic effect on charity, earned good wages at washing, owned a farm in another county, had occasional visits to the city-hall for disturbing the public peace, but for all that, received every winter more coal than she could burn, and food than she could use, meanwhile merit that had no brogue on its tongue was freezing in the same locality. So it is, and ever will be, till charity acts on the basis of investigation and business sagacity. The incorporation of charities independent of sectarianism would concentrate and beneficently utilize its wasted exchequer. What is literally thrown to the dogs would tide the nation over hard times, and keep the lean wolf of hunger from many a door in which aptitude and industry are for a season shut up with corn-meal and weak tea. Enforced idleness, and unavoidable penury clouding the unpauperized humanity that will not beg and cannot steal, is too often forgotten.

THE PULPIT AND THE POOR.

Christianity in doctrine and service recognizes the brotherhood of man. Of all systems of faith and practice it is in this vital direction conspicuously alone. Its granite rests on the levels of human right and duty. There may be factions in its sects, class distinctions in some of its organizations, and the millinery of rank in its councils and churches, but in its spirit and essence it is unreachable and incorruptible, as above and beyond the gold-lace and the tassels of all aristocracism in human rights and aspirations. Its inauguration was democratic. It annulled all popular ideas of social imperialism. Its representatives were not of the Sanhedrim, but of the fishing-fleet. Its morning orb shone not on the shields of the Roman or the marbles of Tetrarchs, but on the huts of the Nazarene and the

docks of Capernaum. It evangelized among publicans and sinners, and its mercies, like healing dew, fell not in the gardens of Herod, but over the gate-ways of the poor. There is no fact in history and no force in philosophy so sublimely solitary in recognizing the rights of the common race as this self-same Christianity. In spite of all surface appearances to the contrary, it is now, as then, the unspent volition of all that constitutes humanity, justice, and freedom. Acknowledged or disavowed, accepted or controverted, its forces cannot be extinguished or its ministrations annulled. It has survived all abuses of priests and kings, and though the mockery of invocation has misused its name in all kinds of tyranny and wrong, it remains as untainted as an opal is with the spawn of a frog, or a crystal with the spit of a toad. It is true that many men who have been the leaders in much of modern labor emancipation have either ignored its claims or denied its authority. I confess to an old-time surprise at this, but maturer experiences have, if not providing good reasons, found some potent excuses. The modern reaction of feudalism found the old wrong intrenched and consecrated by State religions. The revival of liberty began in the "common people," for whom then, as now, the pulpit had its thunders, and the church its back seats. Reformers associated the parson with the dragoon, and faith vanished when the Gospel was identified with the scabbard of a trooper. We are out of that age, but not altogether free from the old evil and the sceptical spirit.

The pulpit of to-day with the masses is more a relic than a power. They charge it with being dumb on matters that challenge the animosity of wealth and power. It is not so in many cases. It is so in too many—if not in words, yet in spirit. The estrangement of the laboring-classes from the churches is one of the most momentous signs of the

times. The minority is church-going, the rest are either neutral, or absorbing the poison of communism and secularism. Take away our mission-rooms and Sunday-schools, and the temples in squares and esplanades are not worth a future insurance. The causes are many. There is no lack of scholarship in our pulpits. Professional preaching is, in an artistic sense, a success; homiletics and philosophy never commanded such histrionic talent; self-abnegation and devotedness was never, perhaps, more widely exemplified; but the "people" keep away. Is the hay held too high for the sheep? or would the poor prefer the home-made bread of plain and vital truth to the Sunday cake provided for jaded fashion? Are not politics swamping ministerial unction? Is not pastoral support for the "next campaign" already a political point? Is not spread-eagleism and the "whip-all-creation" business too often heard in the pulpit? Is poverty as welcome to our churches as he who wears a gold ring and abashes the usher with his jewelled shirt-front? It is time the shepherds should awake. We have been deputing Christianity to conventions, constables, and legislators. We are trying to do good by proxy. Meanwhile, greater forces for evil and social calamity than history ever knew are quietly mustering, for which there is but one cure and one corrective, the pure and simple truth of Christianity. "The Gospel preached to the poor," was the message sent to the rugged prophet of the Jordan as its one sublime distinction. Can it now be as truthfully said along the Mississippi?

THE SUNDAY SIDE OF LABOR.

The Sabbath-day rests on the basis of Divine ordination, and on that granite it denies the pickaxe of time, scepticism, or revolution. In its authority and its claim no political dictation or statutory parchments can legitimately or

permanently interfere. Its law inscribed on stone in the Sinaitic solitudes, and vocalized by Hebrew lips, has come down the ages to modern nations, and is a special historic landmark wherever on this planet the English-speaking races have pitched a tent or built a barn. Its observance, nominal or otherwise, by this people has been in moral and physical results the corner-stone of its probity and the sap of its sinews. In its physiological bearings it is more than beneficent, the Gospel of Rest being as necessary to the salvation of man's bones as is the higher law of Faith and Duty for his soul. From a sanitary stand-point it is a silent blessing. It has given soap and clean linen their prominence in civilization; and I can never look at the well-rubbed faces and the shining shoes of the children coming out of alleys and side streets on Sundays without being guilty of thinking that the wash-tub and the blacking-brush are among the Sabbath agencies of self-respect, cleanliness, and health. To the home side of life it is directly and eminently serviceable. It is the weekly reunion of fathers and children, and the opportunity of rounding out family relationships that have suffered for six days from any expression but that of a dinner-can, and a coming and going by candle-light. The moral effect of Sabbath teachings and worship, in its broad propaganda of virtue, duty, conscience, judgment, and life to come, and as lifting men to the higher levels of spiritual progress—in these things, not conditional on gold, nor forbidden to thin shoes and bare bones, the Sunday is of immeasurable significance. I confess that this, the sublime side of the Sabbath, is but dimly outlined in the industrial mind. A clean shirt, a nap, and a newspaper are the popular conceptions of Sunday privileges. The higher attributes of spiritual character—the qualities and beneficence of such divine forces as Faith in God and Immortality in man—these lights, if projected on the Sun-

day life of Labor, are generally from the home candlestick of a family Bible, or of some unextinguished memory of a hallowed hearthstone in childhood, the modern church not counting for much in tenement-houses and back streets. There can be no mistake in the trend of opinion on this point. The poor are not at HOME in our ecclesiastical temples. With a personal reverence for the house of God, that has made a sailor's Bethel in a rope-walk, in spite of tar and broken windows, more awe-inspiring than the sacred stones of Westminster Abbey, I have been driven to the woods with my Testament to escape the mockery of seeing the poor snubbed and sat down upon by arrogance with a shirt-stud, and vanity with feathers on an empty head, and silks to cover a bloodless heart. It goes with the telling, that brother Dives has got a "corner" on church privileges, a state of things perhaps not so common as popular prejudice makes it, but fatal in its issues as involving moral ruin. The Sunday side of labor has many spires, and will have more when, under the weather-vane, there is less of pride in the pew and more of common-sense in the pulpit. The question of Sunday labor is being increasingly agitated, and will presently involve the best of Christian statesmanship in meeting the public demand on its duties. It must counteract the beer-garden and the Sunday picnic, or the nation will be dumped into lager and licentiousness. The religious side of this question is the most vital of all. If able to live on the plane of its sublime verities, it can lift labor to its levels, and much of so-called necessary Sunday labor will disappear; but, as it is, to save a kid shoe it will pay a car-driver. Cigar stores flourish near church doors, and the newsboy has a Sunday bonus on a deacon's pocket. This decay of conscience is general. The Sunday labor agitation may recall some old virtues, with less of milk and more of muscle in the sleeve, and labor securing its rights

to rest may not have to wake up the Christian church to find a room for an unexpected lodger.

THE ULTIMATE QUESTION—"CHRIST OR BARABBAS?"

All supposable rights and possibilities of industrial life being secured, it will still be reserved to the old laws of virtue and righteousness to make mankind the better or the worse for its privileges. The illusion of immunity from discord, avarice, tyranny, and crime, is destined to be dispelled, even in the millennium of rights and the Arcadia of profits. Human nature is not changed by putting it in new clothes and parlors. Its betterment is from other sources. We know of but one effective and permanent agency in this direction. In a somewhat unusual and varied experience, embracing opportunities for observation and study in almost all possible conditions and degrees of society, it has become a personal and unassailable conviction of the writer that the precepts, provisions, and spirit of true Christianity are the solitary and sublime functions of all that makes man equal to his duties and his responsibilities. The verities of conscience, justice, divine government, life, death, and judgment, are the same under a monarch's crown and a miner's cap; their violation is as equable in results—a jewelled hand bleeds when cut, and a millennium will be in disturbed conditions if vice and unrighteousness exist. The world, if made into a planet-parlor and a communistic free-lunch, will not prevent greed from taking the easiest chair, and putting its fork into the fattest sardine. The crisis-point will never be passed by individuals or societies where the old question is silenced, "Christ or Barabbas?" and to my fellow-workmen, with whom I have shared the crust and the scars of toil, I would emphasize in this concluding article the old doctrine, "Seek first the kingdom of God and His righteousness, and all these things will be added

unto you." This is hoary with age, is clouded with abuse, and to some but a fossilized canon of exploded heresy, but if you wipe the mud from the coin you will find the mint-age reliable and the metal sound—the only currency of true and abiding progress in individual character and social advancement.

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THE LABOR HYMN OF THE REPUBLIC.

By FRED WOODROW.

From sea to sea, and crag to crag,
O'er all the land the people wake,
And lifted hands from bondage free
The fruits of Freedom pluck and take!
From eyes long blind the darkness falls,
And shines again the holy light,
Where Wrong must hide its branded face,
And flee the majesty of Right.

From fire of forge, and lamp of mine,
With labor-scar and weather-tan,
Upon the golden stairs of Time,
The shadow of the Coming Man;
With spirit and with faith unquenched
It rises up to meet the sun,
And crown with proud, unfading bay
The daily round of Duty done.

The cup of bitterness long pressed
To blistered lips that drank it dry,
Is broken at the sweeter springs
No hand can seal, nor wealth deny;
And wrongs that o'er a thousand years
Have fettered man with curse and chain,
Thy hand, O God! has smote them down,
In death that never wakes again.

And o'er the land, from sea to sea,
Be thou, O God! the Toilers' shield,
And keeper of the sacred rights
No foe may steal, nor craven yield;
And fill at last the strong right hand,
That has its work of life to do,
With honors and the golden sheaves—
The crown of Duty, and its due.

INDEX.

- ADAMS, PROF. HENRY C.**, 62, 63.
- BAKER, REV. CHARLES R., D.D.**, 140, 150.
- Barnard, Dr. W. T.**, 225-227.
- Batterson, J. G.**, 106-109.
- Bennet, Robert**, 115-117.
- Betton, Hon. Frank H.**, 243-246.
- Bishop, Hon. James**, 165, 166.
- Blackmer & Post**, 77.
- Bleyer, Julius**, 173-175.
- Blodget, Hon. Lorin**, 167-170.
- Boring, C. O.**, 175, 176.
- Burt, J. H.**, 142-145.
- Byrkit, C. S.**, 136-138.
- CARPENTER, O. F.**, 171, 172.
- Clark, Prof. J. B.**, 60-62.
- Cole, Hon. W. H.**, 170, 171.
- Corns, Joseph, Sr.**, 94, 95.
- "Correspondent, A," 183.
- Cougher, John**, 247, 248.
- Crawford, C. W.**, 112.
- Crosby, Rev. Howard, D.D.**, 149.
- Cushman, Ara, & Co.**, 218, 219.
- DANFORTH, A. H.**, 90-93.
- Darnall, J. F.**, 102-104.
- Donnelly, P. H.**, 120, 121.
- Drummond, A. N.**, 90.
- EHMANN, JOHN**, 117, 118.
- Ely, Richard T., Ph.D.**, 7-16.
- FLOWER, HON. FRANK A.**, 162-164, 239, 240.
- GAULBERT, MOFADDEN & CASKEY**, 76.
- Gibney, John A.**, 80, 83.
- Giddings, F. H.**, 195-199.
- HADLEY, PROF. ARTHUR T.**, 63.
- Hale, E. B.**, 193, 199.
- Henderson, Rev. C. R., D.D.**, 243, 249.
- Hutchins, Hon. E. R.**, 158-160.
- JAMES, PROF. E. J.**, 64-66.
- Jarrett, John**, 133-136.
- Jevons, Stanley**, 8.
- KELLOGG, WARREN T.**, 85, 86.
- Kochitzky, Hon. Oscar**, 161, 162, 241, 242.
- LAUGHLIN, SAMUEL**, 86, 87.
- Leclair, M.**, 208-207.
- Lloyd, H. D.**, 195.
- MAGIE, JAMES K.**, 119.
- Mason, David H.**, 178-181.
- McCamant, Hon. Joel B.**, 160, 161.
- McHngh, Hon. L.**, 253-255.
- McLaughlin, Daniel**, 113, 114.
- Morris, S. J.**, 104, 105.
- Myers, H. M., & Co.**, 109-111.
- NELSON, N. O.**, 87-89.
- Newcomb, Prof. George B.**, 66-68.
- Newton, Rev. R. Heber, D.D.**, 146-149.
- Nicolls, Rev. Samuel J., D.D.**, 150-152.

- PROKHAM, E. G., 101, 102.
 Pond, Hon. C. V. R., 249-251.
 Powell, Gen. W. H., 83-85.

 RIDGELY, CHARLES, 77-79.
 Roemer, John, 172, 173.
 Ryan, Hon. Daniel J., 242, 243.
 Ryland, Rev. J. H., D.D., 152-156.

 SARGFIELD, JOHN C., 181-183.
 Seligman, Prof. E. R. A., Ph.D., 53-55.
 Shurr, Fred, 119, 120.
 Simpelaar, Matt. J., 164, 165.
 Spaulding, C. H., 75, 76.
 Steele, G. M., LL.D., 69-74.
 Stewart, Ethelbert, 126-133.
 Stewart, J. R., 191-194.
 Swank, Hon. J. M., 176-178.

 TAYLOR, J. VINCENT, 188-191.
 Taylor, Sedley, 208.
 Todd, Elliot, 90.
 Trow, Edward, 235-237.

 VOSE, B. C., 76, 77.

 WARREN, BISHOP HENRY W., 156,
 157.
 Waterhouse, Prof. S., 56-60.
 Waterworth, James A., 17-51.
 Weeks, Joseph D., 233, 239.
 Wheeler, D. H., LL.D., 68, 69.
 Wheeler, E. A., 97-101.
 Woodrow, Fred, 121-126, 235-237.
 Woods, J. O., 251, 252.
 "Working-man, A," 139-142.

THE END.



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