Price ONE PENNY.

THE

UNEMPLOYED

PROBLEM

THE SOCIALIST SOLUTION.

BY

D. CAMPBELL.

LONDON:

PRINTED AND PUBLISHED FOR THE
FINSBURY PARK BRANCH OF THE S.D.F.
BY
THE TWENTIETH CENTURY PRESS, LIMITED,
44, Gray's Inn Road, W.C.
DECEMBER, 1892.
THE UNEMPLOYED PROBLEM:

The Socialist Solution.

By D. CAMPBELL.

In London and throughout England, Wales, and Scotland, in all our industrial centres, we are to-day face to face with a great dearth of employment.

Large and constantly increasing numbers of labouring men are in the deplorable position of not being able to sell their skill and ability because there is no market demand for the various products which they, through the exercise of their trained faculties, could produce.

At the present time, according to Mr. Keir Hardie, M.P., there are no less than one and a quarter millions of labouring folk in the United Kingdom who are in a state of enforced idleness, and are consequently wageless. Mr. Hardie founds his estimate upon the periodic returns—made to the Labour Department of the Board of Trade by the officials of the principal trade unions—throughout the country; moreover, he says, that this great army of workless men and women has been increasing since January this year up to the present time at the rate of 50,000 a month.

Some of the leading skilled trades of the country show from 10 per cent. to 30 per cent of their members as being out of work, and there is every indication of a continuation and increase in intensity of the present lack of employment.

The English exports of manufactured wares for the foreign and colonial markets show month by month a considerable shrinkage, as compared with the same month last year. Take, as an example, the two groups of merchandise which are known in trade by the words textile and hardware, there has been a falling off in them in money value of exports for the ten months ended October, 1892, as compared with the ten months ended October, 1891, of about twelve millions sterling.

These figures alone represent an enormous reduction in wages income for the workers.

Then, again in shipbuilding, there is simply stagnation, and consequent worklessness; the unemployed in the group of trades directly and indirectly engaged in the shipbuilding
industry are to be numbered by tens of thousands. If we turn our attention to the large group of industries connected with our ocean transport trade, to the various employments of loading and unloading vessels in our docks, stevedores, grain, coal, fruit, tea, and timber porters, lightermen, dockers, &c., we again find the same fact manifesting itself—thousands of men workless and wageless. Leaving the large centres of population on the Dee, Tay, Forth, Tyne, Humber, Thames, Severn, Mersey, and Clyde, the manufacturing and mining districts of Warwickshire, South Staffordshire, South Yorkshire, South Wales, Lancashire, and Lanarkshire, where every section of industrial activity is suffering from the blight of depression, let us cast our eyes on the exclusively rural parts of the United Kingdom, and take special note of the great industry of agriculture.

What do we discover? Rural villages depopulated, all the young men and women who can get away from them doing so, even in face of the prospect of encountering the fierce competition for bread which is now going on in our thickly peopled centres.

On the Continent the same great fact is prevalent in every industrial centre. Vienna, which has not one-fourth of the population of London, has, it is said, 40,000 workless men and women on its streets. At the late congress of the German Social-Democratic Party, which met in Berlin, the delegates from all the industrial centres of the Empire testified as to the existence of industrial depression and consequent lack of work.

The French Republic and the Kingdom of Italy are suffering from the same social ailment. Across the ocean, in America and the Australasian colonies, the same problem is in evidence. The question is being put in all the keys of the gamut of despair and hopelessness—What are we going to do with our unemployed? Australia, with its square mile of land surface for every man, woman, and child of European origin within its boundaries, has in its cities of Melbourne, Adelaide, Sydney, and Brisbane tens of thousands of workers workless and wageless.

Every local centre has its own explanation of the cause—e.g., London workers attribute the scarcity of employment to the immigration of foreigners and rural labourers; the Lancashire cotton operative to the fierce competition of the
Bombay cotton mills, which are kept going with rice-fed labour twenty-four hours a day and seven days a week; also some of the very clever ones see great evils arising from the want of a bimetallic currency; the Bradford, Leeds, Nottingham, Leicester, and Northampton trades trace the causes of their trade depression to the McKinley tariff and the competition of Germany and France in our home markets as well as in the neutral markets of the world. The farmer and landlord see clearly that agriculture is going to the dogs from the absence of an import duty on food stuffs. If we go to Germany and France there the workers attribute their lack of employment to the intense competition of England, which is driving them out of their own markets, let alone the markets of the world. The various Continental Governments have erected a complete chain of prohibitive customs duties on manufactured imports in order to keep England out of their markets. Yet the home worker is workless, and the wail is English competition. The Australian colonies and Canada follow suit, and do their best to create a custom boycott of our wares. Yet they have the unemployed ailment in quite as acute a form as ourselves.

From this brief survey it is evident that worklessness is co-extensive with the industrial world, and that underlying all the local explanations we have passed in review there is some root fact which is common to them all, but is not apprehended in its full significance.

To unveil this root fact is the first important step in our task in order to give clearness and precision to our thinking.

THE CAUSE.

We find in the growth and adaptation of social man to his physical surroundings one permanent fact ever present. So soon as a margin between production and individual subsistence is possible from that moment a governing class manifests itself. It builds up its power upon the appropriation of this margin, and organises the community, which it rules in such a way as to secure the permanency of its domination. The principal social instruments which it uses for this purpose are Religion, Law, and Government—all based upon the bed rock institution of Private Property.

Let us now examine how the social and economic condi-
tions organised by the present possessing class produce the unemployed.

In the first place, a very little thought on the part of the worker will convince him that his wages in the particular occupation he may follow are regulated quite outside his will and power. If he is a member of a powerful trade union the collective power of the union can only in the long run steady wages. If it succeeds at one time in wresting an advance of wages beyond the competition rate which the market will pay in the end mechanical appliances, or the substitution of other methods of production, will compel wages in that particular trade to swing back again to the competitive market rate. The worker, therefore, whether he bargains individually or collectively through a trade union, must on the whole accept his market price.

"Whether labourers work by the piece or work by the day,
The cost of their living determines their pay."

Secondly.—Another point of importance in dealing with this rather difficult subject of wages is the fact that wages must essentially be considered as the income of a working class family. Not the wages of an individual in a particular group, e.g., in all trades where it is not customary for the wife to work jointly with the husband, the wages of men in such employments are higher than in such trades where the wife contributes to the wages income by her labour. Take as an example the Lancashire cotton operatives, where it is admitted that the man's wages are insufficient to support the family in the customary standard of comfort. The following table, compiled by the Labour Bureau of the State of Massachusetts in 1875, and quoted by Gunton in "Wealth and Progress," page 171.

1. Showing groups of trades in families.
2. The wages earned by the father.
3. The number of individuals in family.
4. The number of persons, such as wife or children, in family who earned supplementary or additional wages.
5. The total amount of such additional wages.
6. The total family wages income.
7. The total cost of living. Space of time, one year.

The total number of families grouped were three hundred and ninety-three. Fifty-seven were from the building trades,
thirty-nine from the leather trades, sixty-one were metal workers of all kinds, seventeen were taken from unskilled labourers in all kinds of skilled industries, thirty-five were factory operatives, thirty-eight were other operatives employed in factories under the heading of mill labourers, and ninety-eight were from various outdoor employments such as builders' labourers, street labourers, wharf labourers, fishermen, twenty-four were shop trades, &c.

### Family Schedules in the Various Groups of Trades.

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<tbody>
<tr>
<td>Shop Trades</td>
<td>752.36</td>
<td>4$\frac{3}{4}$</td>
<td>69.04</td>
<td>821.40</td>
<td>772.21</td>
<td></td>
</tr>
<tr>
<td>Metal Workers</td>
<td>739.30</td>
<td>4$\frac{3}{4}$</td>
<td>90.51</td>
<td>829.81</td>
<td>723.00</td>
<td></td>
</tr>
<tr>
<td>Building Trades</td>
<td>721.32</td>
<td>4$\frac{3}{4}$</td>
<td>73.00</td>
<td>794.32</td>
<td>740.03</td>
<td></td>
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<tr>
<td>Teamsters</td>
<td>630.02</td>
<td>5$\frac{1}{2}$</td>
<td>105.00</td>
<td>735.02</td>
<td>729.05</td>
<td></td>
</tr>
<tr>
<td>Shoe and Leather Trades</td>
<td>540.00</td>
<td>4$\frac{3}{4}$</td>
<td>693.13</td>
<td></td>
<td></td>
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<tr>
<td>Metal Worker's Labourers</td>
<td>458.09</td>
<td>5$\frac{1}{2}$</td>
<td>256.08</td>
<td>714.17</td>
<td>697.92</td>
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<tr>
<td>Mill Operatives</td>
<td>572.10</td>
<td>5</td>
<td>250.35</td>
<td>822.45</td>
<td>755.04</td>
<td></td>
</tr>
<tr>
<td>Mill Labourers</td>
<td>386.04</td>
<td>6$\frac{1}{4}$</td>
<td>284.08</td>
<td>670.12</td>
<td>638.99</td>
<td></td>
</tr>
<tr>
<td>Shop Labourers</td>
<td>433.06</td>
<td>5$\frac{3}{10}$</td>
<td>232.02</td>
<td>665.08</td>
<td>641.08</td>
<td></td>
</tr>
<tr>
<td>Outdoor Labourers</td>
<td>424.12</td>
<td>6$\frac{1}{2}$</td>
<td>257.93</td>
<td>682.05</td>
<td>650.81</td>
<td></td>
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Divide the dollars by five and that will give approximately the £ sterling.
"Thus it is seen that in neither of the cases where the man is assisted by his wife and children does he earn as much as other labourers. Also, that in the case where he is assisted by both wife and children he earns the least."—"Report on the statistics of Labour, 1876, Page 71, quoted by Gunton." From a careful study and comparison of the foregoing table it must be evident to the worker that wages, income, and the cost of living are convertible terms, and that subsistence wage is a fit and proper name for what he receives for his labour force.

Thirdly.—The working man can also observe that labour force no longer works unaidered, in fact, natural forces and mechanical appliances to-day perform, it is estimated, 96 per cent. of the total work done in production in this country, 78 per cent. being performed by steam power alone. All this extra power furnished by nature, and the slow growth of social man throughout all past time, is under present conditions, the property of the possessing class, who are the beneficiary legatees of the accumulated sacrifices and conquests of all past generations of workers.

On the other hand the worker owns his body which he must clothe and feed. The possessing class has so arranged the conditions of social life and industrial activity that the worker can only obtain his subsistence when permitted by it, and it only sanctions his doing so on the customary conditions that the wages system represents. So long as the wage worker can be profitably employed by the capitalist employer in producing by his labour marketable products, which the capitalist appropriates as his own, by means of the wages system, and markets as if he were the producer of them, for so long only will the labourer be permitted to work.

Fourthly.—The market represents to the mind of the capitalist employer the social demand in money form throughout the world for the particular commodity which he has appropriated and marketed.

The market, thought of as a collective reality, dominates the individual capitalist. He is no longer master of the labour product which he markets as regards what to him is the most essential part of it—namely, its price. Quite independent of him, personally considered, the oscillations of the total social supply and total social demand, manifesting
themselves as market supply and demand, controls whether
he is personally to gain or lose upon the fractional part of
supply marketed by him.
On the whole, and covering a greater or less period of
time, the oscillations of the market may be regarded as can-
celling each other, and being in a state of equilibrium. That
in the end things will not be marketed for less than what it
costs to produce them under the existing socially accepted
modes of production.
But that is cold comfort for the individual capitalist who
finds that by a particular swing of the market supply and
demand on the market in which he is vitally interested
possibly one half of his fortune is gone.
I have endeavoured in these four paragraphs, as briefly,
simply, and accurately as possible, to establish that both
employer and worker are entirely controlled by, are, in fact,
slaves of the market. If the individual employer has no con-
trol over market price, but is controlled by it, and it is essen-
tially competitive and continually tends towards cheapness,
it follows irresistibly that he can only pay wages, and must
adopt methods of production in conformity with the market
conditions. Therefore the worker's wage, as I have before
stated, is beyond the worker's control. Yes, beyond the
individual employer's control; although in many instances
owing to greater commercial sharpness, the employer can
and does trick the worker out of a part of his market price.
This is simply knavery, and has nothing to do with the great
sweep of economic tendency, which works unconsciously, like
a natural law.
The creation of men's hands and brains, the innocent
labour product, thus becomes in the commercial world a
Juggernaut, which grinds to powder its creators.
How does this affect the unemployed problem? If the
employer is ruled by the market, which is in its essence com-
petitive, the continuous march in improved methods of pro-
duction compels him to adopt the newest labour-saving
appliances with the object of reducing cost of production.
Take as an illustration cotton cloth production, as quoted
America in 1831 each operative produced per year 956.70
pounds of cloth. In 1880 the production had risen to
3,519.47 pounds per operative; or, put in another form, in 1880 three operatives produced as great a quantity of cotton cloth in a year as eleven operatives produced in 1831. In this instance wages may rise for the individual operatives employed, but prices fall; therefore wages, in ratio to product, fall, and, unless through falling prices the social demand expands in the ratio of the augmented powers of production, the inevitable result is a reduction in the number of operatives employed, because wages in the mass have shrunk. Therefore, unless the working population decreases in ratio to labour-saving appliances, it follows that there must be a tendency for the number of those who cannot find employment to increase.

Let us take another more startling instance of the labour-saving tendency, arising from the alliance of science to industry, this time in transport. Before 1872 the greatest average carrying capacity of steam cargo boats was 1,000 tons, and required for working the ship a crew of not less than 18 men.

In 1883, through improvements effected in the construction of machinery and improved methods in hull construction, the cargo boats had developed a carrying capacity of over 4,000 tons, with a crew of less than 30 men.

In 1892, our next point in time, the progress is still continuous. Vessels were afloat engaged in freight carrying with a cargo capacity of 7,000 tons, and vessels are now building with a carrying capacity of 9,000 tons, which will require a crew of 35 men. I have in every case adopted a standard of European crews. Where ships are manned by Asiatics, and only officered by Europeans, the number of crew is considerably more. There, then, we have, in the short space of time from 1872 to 1892, or, say, 1893, one cargo boat, carrying 9,000 tons of cargo and manned by 35 men, in the place of nine cargo boats before 1872 manned by crews which in the aggregate numbered 162 men; or, in other words, for every nine men required before 1872 only two men are required to-day in so far as manning the vessels are concerned. Only one vessel requires to be built and fitted with machinery to-day for nine before 1872. Hence an enormous shrinkage in the number of engineers and ship-builders required. Even if every allowance is made for ex-
pansion of trade, the most hide-bound will not claim an expansion equal to the reduction in the number of labourers required.

Let us now look at the market rate for freights. Freight rates in 1872 from the Black Sea to London were £2 per ton, now shipowners can scarcely get 13s. Tea from China in 1872 cost £7 per ton, now it costs £2. The best Welsh coal is sold to-day in Alexandria, at the mouth of the Nile, quite 2,000 miles from England, at 18s. 6d. per ton.

These illustrations are typical of the nineteenth century; which shows, first, a strongly marked tendency to displace human labourers by the machine. Secondly, a continuous tendency for the market by its always giving the victory to cheapness to accentuate this tendency. Thirdly, a periodic displacement of the mechanical appliances of ten years ago by the new, improved, and more efficient ones of to-day.

Every ten years or so the private owners of all the world's productive wealth, who are individually at war with each other on the market, take a fresh leap forward, impelled by the improvement effected by machine construction through the application of science to industry. Each fighting for his own hand and with one object in front, namely, personal gain. They build new ships, they refit with new machinery in order to crush out their rivals in trade, by underselling them in the market. This forward swing becomes general, and it is intensified by a preceding period of several years of collapse, when the old machinery was kept going, and vessels, if lost, were not replaced. This impulse, growing out of the desire for gain which rests on the institution of private property in productive wealth, pours new blood into the stagnant and moribund carcass of trade and commerce and all industries bound forward. Each individual proprietor makes haste to add to his store, and the labour world is enjoying a period of what is known as prosperous times. Then comes the return swing. The new machinery has replaced the old. The new vessels have crushed out the old. The competition of capital has done its work in over-production, in accumulating unsaleable masses of goods. Labourers can no longer be employed at a profit; in fact, they are not wanted, for there is too much of their products in the hands of the capitalist owners already for them to feel at all comfortable. They fear individual loss
arising from deterioration, and the market points to a long and uncertain period of low prices. We are to-day in the first stages of a period of the return swing, and the unemployed are with us again.

Deep down at the roots of all the fluctuations of boom and stagnation which we have passed in review, we find one permanent fact, namely, the institution of Private Property in the means and instruments used for the production of wealth, and resulting from that the personal administration and control of the process of production for profit, using the wages system as the instrument to veil the appropriation of the surplus product which results from the labour process by the capitalist employer.

The continuous forward march of improvement in machinery and industrial processes founded on a more scientifically skilful application of the root social principles of industrial co-operation and division of labour, is year by year increasing the magnitude of the surplus product of labour. Year by year the amount of time in the working day that is requisite for the worker to re-produce his subsistence is becoming less; therefore the magnitude of his wages in proportion to the results of his labour are shrinking, and the unpaid for marginal surplus is expanding. The market, with its never ending fluctuations of supply and demand, is the social expression of this root antagonism between production and consumption in the labour process. Every ten years or so the antagonism develops the industrial crisis in its most acute form, although in reality the disease is never absent. The institution of private property is, therefore, the bedrock fact from which grows all the social evils and abuses I have passed in review. No permanent and effective remedy for these evils is possible except by going to the root fact. Men in general do not go to first principles, they prefer compromise. In the past, radical changes in states of society and forms of government have been forced upon men by the common march of events, independent of the control of government or individuals.

Nevertheless, it is our duty as Socialists to point out that no permanent remedy can be found outside of the substitution of common ownership of productive wealth for private
ownership. The process of production and exchange to be scientifically regulated for the well-being and happiness of the commonwealth instead of the present hugger-mugger scramble for the advantage of a limited class.

While that is our goal, and we are supremely conscious that there is no other way to finally and definitely put an end to present evils, we are at the same time quite aware that the workers in the lump are unable at present to realise in its full significance what the transformation of modern society from the commercial capitalistic state of to-day to the democratic labour state of to-morrow would involve.

We know we must wait! Wait and work continuously until the slow creeping hour arrives, when they will realise the full import of our message in mind and heart.

Until then we must work with the materials we possess, and advocate the adoption of some partial remedy for the present evil of worklessness, which will tend to accelerate the pace at which society is travelling towards the final goal. This partial remedy must be such, that it will on the whole be a national gain, at the least cost of discomfort and loss to the few. We must find some national industry which as it is at present organised is being slowly but steadily crushed out of existence under the present conditions of the world's market; where it is apparent, to the middle-class economist that the Institution of Private Property, with its inevitable consequences of production for profit and competition for sale, have completely broken down, and that all attempts to bolster up the present system in that industry will only end in intensifying present evils.

We must advocate that this industry shall be taken over by the nation and administered, with the object of production for collective well being, not for individual gain, and with the immediate and well defined object of absorbing the whole of the unemployed who are fit to be assimilated. English agriculture to-day presents all, or the majority of the necessary characteristics. We shall endeavour briefly to point out how the process of transformation could be effected with the least possible friction, although we never lose sight of La Rochefoucauld's famous maxim "that you can give advice but you cannot give conduct."
THE SOLUTION.

To-day English agriculture is beyond all question in a most deplorable condition. The landlord cannot get his rent, the parson has to go without his tithe, the farmer is either bankrupt or on the brink of bankruptcy, the labourer and his family are housed in insanitary, tumble-down cottages, and half starved. One universal chorus of complaint is heard from the three classes who are directly dependent on the soil. The English wheat harvest of 1892 yielded seven million quarters for consumption; our national requirements before the harvest of 1893 is garnered will be, taking six bushels per head as basis, twenty-nine million quarters; our home harvest in wheat, therefore, does not feed one-fourth of the population. It is the same with respect to butcher meat; we are under the necessity as a nation of importing annually over twenty-seven millions sterling worth of live cattle and dead meat. Then, as to dairy produce, in 1891 we imported four and four-fifth millions sterling worth of cheese, over eleven and a-half millions sterling worth of butter, over three and a-half millions sterling worth of margarine, over three and a-half millions sterling worth of eggs, and nearly twelve millions sterling worth of hams, bacon, lard, and pork; or a total of nearly thirty-six millions sterling of dairy produce. It is estimated that we consume foods of the money value of three hundred millions sterling annually, and we import as a nation one hundred and forty millions sterling worth of the whole. Comment on the foregoing is needless; the figures quoted prove up to the hilt not only our extreme dependence on foreign food supplies, but the entire collapse of the land interest also shows that the market is completely against our agricultural community. The cost of producing an acre of wheat under the most favourable present conditions is estimated to be £5 13s. 6d., and, taking the average yield per acre of the 1892 harvest as 25.9 bushels, growers can only market three quarters, which at present prices brings £4 1s.; hence a loss under the most favourable conditions of £1 12s. 6d. per acre on wheat-growing. This is the explanation of why many farmers who possessed a balance at their bankers of thousands of pounds less than twenty years ago are now under the necessity of mortgaging their standing crops, in fact,
living from hand to mouth; and it also explains why there are tens of thousands of acres in agricultural England to-day growing weeds and thistles.

Mr. C. Clay the founder of English Chambers of Agriculture, estimates that the depreciation in price of agricultural products is, as compared with twenty-five years ago, equal to £1 12s. 4¾d. per acre. The improvements effected in ocean-going steamships, sketched in the second section of this pamphlet, and the consequent reduction in freights from 2d. per ton per mile to ¼d. per ton per mile within the past thirty years, has killed economic rent; has crushed the farmer who obstinately persists in following his antiquated and wasteful methods of cultivation; and has forced the rural labourer to flit to the town. Under the present conditions of landholding and cultivation there is no way out. Landlord and parson, farmer and labourer, are all involved in one common ruin.

The nation, in its collective capacity as the State, must ultimately step in and supplant the present race of "dead-beats."

The great and continually increasing force of the economic conditions will not admit of tinkering and delay.

We suggest that the nation's heritage, the land, shall be nationalised, the present owners and occupiers to be equitably compensated for disturbance. That the various Enclosure Acts, from the beginning of the eighteenth century up to 1854, by which nine million acres of common or folk land became private property, shall be reconsidered, with a view to the resumption of the land without compensation, except in such cases where the present holder is wholly or partially dependent for his or her subsistence on the holding, in which case he or she shall receive a life annuity from the State.

The Government shall appoint and empower the existing County Councils, as tenants of the nation's estate, to organise the agricultural industry on a purely scientific basis, the factory farm of from three to ten thousand acres being the unit. The respective County Councils to be empowered to organise the unemployed of the large industrial centres, who, combined with the existing rural population, would then become the agricultural proletariat of the future. England and Wales
with a cultivable land surface of at least 27 million acres, 10 millions of which is land of the first quality, could produce in one year, if farmed on such a system as the present industrial development renders possible, a sufficient supply of food to bounteously feed the present population for two years at least. General Sir Arthur Cotton, of Woodcote Farm, near Dorking, in Surrey, has by deep soil ploughing, complete aeration of the soil, liberal manuring, &c., produced a wheat crop giving a yield equal to 130 bushels per acre, and 6½ tons of straw. The General, as an expert, says that wheat can be grown in England at a profit to market at 2s. 6d. per bushel, the present price being a fraction under 4s. The General is, of course, looking only at the productive powers of the soil. He forgets that the market under Capitalism is competitive, and the moment our present powers of agricultural production are increased by the application of science to the process, then the wide sweep of the world's competitive supply would come into play. The same or improved scientific methods would be applied, say, in America, as with us, with the object of crushing out our supply from the market.

Increased production on the basis of private ownership in land and private enterprise in cultivation, therefore, can be no solution.

The era of profit mongering in so far as farming is concerned has passed away. It has resulted in the present collapse of our most important national industry, and in a race of men "who forget nothing and learn nothing." The solution of the unemployed problem will thus solve the agricultural problem, our cry must be "back to the land," to the factory farm. The dual solution will give a momentum to the movement towards collectivism. We economic Socialists see clearly that the corner stone of the present system, the institution of private property, buttressed as it is by its triune offspring—religion, law, and government, must entirely pass away, and society become subject to other laws.