

NATIONALIZATION

IN sundry European countries, but more especially in Britain, because Britain is the most completely Capitalist of all, there has arisen a practical demand for the "Nationalization" of certain great industries.

This demand is certain to be pressed in the case of several industries—notably railways and mines—to an issue; and the effort will probably be a victory for those who demand Nationalization. For these have the power of forcing the victory, and their opponents have no effective defence in action. It behoves us, therefore, to examine the origin, motive, object, and—what is most important of all—probable result of this policy.

We must begin by clearing the ground of a false conception which confuses the issue: I mean the conception that this new policy of Nationalization is only a question of practicability and degree. Far from that, it is a revolution in principle.

Nationalization means the putting of the control of certain objects, that is the putting of "property" in them, into the hands of State officials: making them the property of the State, to be administered by the same political authorities as those who conduct State affairs in general.

Now it is clear that there must always be, however extended private property may be, some considerable field of economic activity which is thus nationalized. There must always be a considerable category of objects which are the property of the State and administered by its officials. If it were not so the State would have no power and so cease to exist. Political authority would fail and you would have anarchy. For instance: the weapons and all other instruments for the useful activity of those who preserve order and defend the State from aggression must obviously be the property

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of the State. And this category includes not only arms and armaments, ships and aeroplanes, but also housing, stores of food and clothing, and so forth.

But the State must own much more than this if it is to be an active power to the end of justice among men. It must own many buildings in which it exercises its activities, and it must control at any one moment stores of food and clothing and all other necessaries for the support of those who are directly its servants, over and above the police, the army, and the navy : such are judges and all the servants of the courts of justice, and all the various ministries and departments. This State' property often appears in modern times as a sum of money rather than of goods, but that money stands for goods. We may say that at any moment the Government must be owning a certain proportion of the materials present in a community for this purpose alone of its own existence as a Government.

There is yet another category of things some of which in practice always are, and many of which *should* be national property : these are national property which guarantees a certain freedom of action to all citizens, which acts at once as a flywheel and corrective to individual effort and competition. Thus, highways, including water-ways, territorial sea-waters and the fore-shore, are, in all healthy societies, regarded as naturally or normally the property of the State. If **they were not**, individuals possessing them could exercise too great a control over their less fortunate fellow-citizens.

The same is true (though in this country the great aristocratic revolution of the seventeenth century and the destruction of the Crown has made too many people forget it) of a certain proportion at least of the great forests of the State and of heaths and common lands, and (in the judgment of the vast majority of

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States past and present) minerals beneath the earth. It is, further, to the advantage of the community that the State should have control over considerable productive arable estates. It is an advantage, that is, for the State to be *endowed*, as well as to have the mere power of taxation.

All this will be generally granted except by those who may still have survived from the ephemeral body of extreme theorists who flourished in England during the nineteenth century, and are now for the most part forgotten. Their theories—purely abstract and unworkable—would whittle down the control of the State, and therefore its economic power, to the least possible amount and brand it as an evil wherever found—even though a necessary evil. Such ideas were never seriously entertained by men at any other period. It was sufficient for them to appear, even as mere theories, for them to be refuted within a lifetime by the necessities of living.

If we mean by “Nationalization” that a certain portion, and even a large portion, of the economic activities within the State should be directly controlled by the State, there is no practical issue. All men, or at any rate the overwhelming majority of men, at all times and places are agreed and will remain agreed upon this matter. It is in practice necessary, it is morally useful to the end of justice, and there is an end of it.

Wherein, then, does the issue lie? The starved and chaotic thought of our time will reply that the issue lies in the matter of degree. But were this a true reply there would be really no issue at all. The settlement of exact boundaries to an admittedly necessary province in any human affair is a matter for practical discussion. It does not involve philosophy. It may be, and is, conducted by men who are agreed upon first principles.

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Thus, all will agree that there is a gradation in violence from a permissible blow to an assault, and in practice a court of justice must decide where the limit comes between the one and the other. All men are agreed that a slight blow may be taken as a mark of familiarity or as a jest, but that a violent blow is normally a wrong from which one must be protected. The establishment of the degree is left to common-sense in particular instances.

It is so, I say, with every practical matter in which degree is to be established. *An issue only arises when fundamentally contradictory philosophies are engaged.* Thus, if a sect of men should appear who maintained that a blow, however violent, was always legitimate ; or conversely, that a caress, however gentle, was always wrong, then there would be an issue between them and the majority who hold no such fantastic theories.

Now there has arisen to-day precisely such an issue in the matter of Nationalization. No one doubts, I repeat, the necessary control of the State over some provinces, and those considerable provinces, of economic forces ; nor does anyone doubt in connection with this the necessity of some greater or less measure of *State Property*. The establishment of the limits of these is a mere question of degree and could be left, as all such questions must be, to circumstance and common sense. The principle being admitted that the State acts for the good of the individual, and the principle being also admitted that private property is normal to man, the limits of State property would lie where, in practice, it does but safeguard the principle of individual property and the general life of the whole community. But a powerful sect has arisen which does not grant these first principles at all. It is fundamentally at issue with the philosophy upon which these first principles are based. It regards *all* private property in the means of production as immoral,

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because such forms of private property invariably introduce inequality of economic opportunity among men, and at the same time introduce what is called "exploitation."

Those adhering to this sect (commonly known as Socialists) usually regard inequality, and always regard "exploitation" as immoral; and to eliminate these two evils which they postulate as irreconcilable with any right living, they propose to eliminate private property in the means of production and to vest *all that can be vested* in the hands of the State. There is, indeed, here also a question of degree, for that enters into all human affairs. It appears in the formula "all that *can* be vested." It may not be at one time and place possible to put all the means of production into State hands. But the motive or principle at work is that all *should* be in State hands, and the possession of private property in the means of production reduced, as a necessary evil, to the least possible dimensions.

You have here the exact opposite of that ephemeral sect of which we spoke just now, the nineteenth century English theorists, happily defeated and to-day almost forgotten, who imagined that the control of the State, and ownership by it, was a necessary evil to be reduced to the lowest possible minimum.

Here it is important to define our terms.

The Socialist proposition on the wrong of economic inequality we can all understand. We hold it or do not hold it. We think inequality of fortune unjust, or we do not, and there is an end of it. But the Socialist proposition on "exploitation" requires further explanation.

By exploitation the Socialists mean the retention of part of the produce of a man's labour by some other man: and they say such retention is unjust.

Let us suppose two families exactly equally endowed in wealth in the means of production, the first possess-

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ing an arable farm worth £1000, the other a pasturage farm of exactly the same value. Granted the private property of each in its possessions, there will be a moment of the year—that of the hay-making—when the pasturage farm will require more labour than its family can supply. And this season will correspond with a slack time on the arable farm, for the hay-making season comes somewhat before the cereal harvest.

We may presume, therefore, that the family owning the pasture farm will, during the hay-making season, offer work to the people of the arable farm upon the following terms :

“ If you will come and help us make the hay, your quota of work producing, say, ten tons of hay, we will pay you for that labour with five tons of that which you produce—half your total production upon our land.”

Conversely, when it comes to the cereal harvest and extra labour is needed upon the arable farm, those who own it will make a similar proposition to their neighbours, who having gathered in their hay harvest are in a slack time. They will ask them to go and harvest and thresh, say, ten tons of wheat, and offer them half of the produce, five tons, in payment.

In either case the labourers produce a greater measure of wealth than they receive for their labour. They produce ten, they only receive five tons ; in the one case of wheat, in the other of hay. The rest remains with the owners of the land. That process is called by the Socialists “ exploitation.” Those who have laboured are said to be “ exploited ” by those who only own, because a profit or surplus is levied by the owner upon the total production.

As it is a dogma with the sect of which we speak that labour has a moral right to the *whole* of that which it produces, this “ exploitation ” is necessarily in their eyes immoral. Even though an exact equality be

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preserved, even though, as in the special case we have taken for example, the two "exploitations" cancel out one against the other, yet there has been "exploitation" in each case and therefore an immoral act.

To eliminate the opportunities for this, the Socialists contend that the arable farm and the pasture farm should be pooled, that the two together as one economic unit (forming in our suppositious case the whole State) should be administered for the common good. Both families would labour upon both farms indifferently, obey the orders of officials either chosen by them, or appointed over them, and these officials would distribute (equally, according to one school of Socialists, but, according to all schools of Socialism, would at any rate distribute) the total produce. Its distribution would not lie in the hands of either of its two former "private owners."

What we have to examine then is (*a*) the origin, (*b*) the motive, (*c*) the object, and (*d*)—much the most important—the *probable result* of these new theories in action.

The origin of the movement is twofold. It has proceeded historically thus. (1) A certain philosophy of common property perpetually recurrent in human history, was in modern times again propounded by a school of French thinkers, chief of whom was Prudhon, at the beginning of the nineteenth century. (2) This mere philosophical statement has been made of actual force in the modern world by the presence of an evil phenomenon known as Capitalism. But for the concrete evil, Capitalism, which this philosophy proposed to cure, that philosophy would have expended itself in the void. It was the actual presence of Capitalism in society which gave the matter upon which the new philosophy could act. It was Capitalism which fed and gave substance to the mere formulæ of the Socialistic creed. The Socialistic creed we have

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already stated in its essentials. It is opposed to inequality among men even in material things, and it is this which gives it its essential mark, which is its condemnation of "exploitation": the fundamental tenet upon which all its further development reposes.

It is clear that the quarrel against "exploitation"—the demand that the whole produce of labour should go to the producers, even to those who are not possessed of the implements and land necessary to production—would have no practical effect, and would probably not have been even theoretically held by anyone for long, were there not certain real evils for which this abstract conception offered a remedy, and those real evils we find in Capitalism.

Capitalism is a social system which arose in Western Europe as an effect of the Reformation. In its final form its main characteristic is the possession of the means of production, that is land and machinery, by a small number of citizens, while the great majority of citizens remain dispossessed not only of the land and machinery, but of the stores of food and clothing and housing, without which men cannot live.

Were the land and implements and stores of food and clothing, etc., to be owned by the free men of the community and the rest to be working for them as slaves possessed by the free men, that would not be Capitalism. Nor would it be Capitalism if the mass of the dispossessed, though not technically called slaves, were at any rate compelled by positive law to work for the few owners. The essence of Capitalism is a state of affairs in which, though men are equal before the law, and regard themselves all as free and as fellow-citizens, yet only a few own what is necessary to the process of production, and therefore to the life of all the others.

In modern economic terminology we distinguish the two limbs of a Capitalist state by the words "Capital-

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ist" and "Proletariat." The Proletariat, thus composed of free men yet dispossessed, are naturally actuated by the following feelings when they regard the society in which they have to live :

First, they are naturally jealous of the special possession by a few of that which enables them to live in greater comfort and for the most part without doing any work. The more glaring the contrast through the exiguity of the Capitalist class and its proportionately large individual holdings of the means of production the stronger this feeling.

Secondly, the Proletariat being thus formed into a great body and not consisting of scattered individuals, but composing the great mass of the community, have vividly brought before them the fact of "exploitation." They have presented to them in the clearest possible manner a mass of production of which they are the authors, but the results of which they do not control, and of which they only enjoy a part, the remaining part going, although they have not produced it, to those who merely own.

Thirdly, the position is one of acute anxiety, for the Proletariat cannot live, they nor their dependents, save at the will of those few who possess. A certain proportion of them will always be at any one moment useless to the possessors, and therefore unprovided with the necessities of life.

Fourthly, even those whose labour could be used by the possessors, will, by their competition, lower the amount for which they hire themselves out to a very low standard : the foundation of all wages will be mere subsistence.

These four states of feeling aroused by Capitalism in the mass of the community may be summarized as a hatred of the injustice of gross inequality in things necessary, partly necessary, and amenable to man ; a hatred of the continued and unavoidable exploitation

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exercised over the whole mass by a few; a fear and hatred of insecurity, and a fear and hatred of insufficiency, both of them proceeding from Capitalist conditions.

With these four forces at work the Socialist philosophy has ample substance upon which to feed and to acquire a real force, which, as an empty formula, it would never possess.

Now of the evils thus imposed upon the community by Capitalism the last two are much more immediate and acute than the first two. A man is far more violently acted upon by the threat of insecurity and the lack of sufficiency than he is by observing a difference of enjoyment or even by the fact of his exploitation. And therefore it is that there are not only two clear solutions to the Capitalist problem, but a third bastard solution ready to hand.

The two clear and complete solutions are on the one hand Socialism and on the other a wide distribution of property. It is evident that if the means of production, the land, the stores of food, etc., were taken away from the Capitalists and put into the hands of various officers acting for the whole community, and if these officers should distribute equally the resulting produce, all the evils peculiar to Capitalism would disappear.

What other evils might arise is a different matter. The four evils that are alone contemplated by those actively suffering them would be removed.

It is equally clear that a very wide distribution of property, so that the Proletariat would be but a small fraction and therefore not determinant of opinion in the State, much more a distribution such that there should be *no* Proletariat but that each family should in some measure own the means of production, while it would not destroy the fact of a partial exploitation in many particular instances, nor wholly eliminate insecurity or even insufficiency, and while it would

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hardly conceivably eliminate the factor of *some* inequality in material things, would none the less so modify all these four evils as to destroy the active grievance which the Proletariat of the Capitalist State feel, and which move them to demand change.

The third bastard solution, incomplete, concerns only the last two grievances, but it does eliminate them altogether. *It is the solution which guarantees security and sufficiency to the whole Proletariat, but only on the understanding that they continue to work for the Capitalist minority.*

This solution by completely eliminating these two grievances, which are the most active of the four, would produce a stable state. It would get rid of the active demand for change. Such an arrangement may conveniently be termed "the Servile State," for it is a settlement in which labour would be compulsory, that is servile, although it would not in its first steps produce chattel slavery in the old sense, that is, a State in which individuals were owned by other individuals or corporations. The servile class would be really servile, but there would be an intermediary between their owners and themselves, which intermediary would be the State.

The evils of Capitalism and the grave moral disturbance which it occasions have thus presented to them three solutions. The last bastard solution would hardly be consciously accepted as a formula by free men. It is obvious that they would prefer either of the other two if a completely free choice were laid before them in set terms of which they might accept. Now of the other two the first, the Socialistic solution, is by far the simplest and the most easily appreciated *in a society already Capitalist.*

A society in which the mass of men have no experience of ownership, a society where the mass of men would dread, or even if they did not dread would

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blunder in, the responsibilities of ownership, a society in which the mass are long used to living upon a regular and frequently recurring dole, the security of which and the sufficiency of which are their chief practical and daily concern occupying the whole of their lives, is a society which sees in Socialism the short-cut to its ideals. Of the two solutions, Nationalization or Distribution, Nationalization (that is Socialism) has the further two advantages that it is devoid of complexity, and capable, in theory, of immediate application. To redistribute ownership well when it has become ill distributed, to scatter what is powerfully collected and organized in a few strong bodies of economic control, would require a reversal of the whole Capitalist machinery. It would require a patient, laborious, well-thought-out policy, tenacious of its end and continued for at least a generation ; nor could it work without a public opinion desiring ownership and presumably having some tradition of ownership.

But the Socialist formula could be applied at once, (in theory at least) and could be applied in practice as well to many departments of modern economic effort. The economic control is already centralized, already highly organized in a few centres ; the State has only to step into the shoes of the Capitalist, and the thing is done. The transition is rendered all the easier by the fact that the new Socialist world would require managers acquainted with the details of the various departments of production, and would find these managers ready to hand, inherited from the old Capitalist system.

In all this we see where the origins of the demand for Nationalization lie. We further see how it is strong in proportion to the Industrial Capitalism of the society in which it arises. We see how it is almost unknown in peasant areas, weak in those small agglomerations such as the old county towns, etc., where Capitalism

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is not fully developed, but particularly powerful in the great industrial centres and in the modern fully developed Capitalist enterprises which are now coterminous with the modern State.

When we come to the *motives* we need not recapitulate, because they are apparent. The motives for the movement for Nationalization are the modification of inequality and the elimination of exploitation, coupled with the attainment of security and sufficiency for all. It is to be remembered that, as we have seen, these motives vary in vigour, that they are much stronger in the demand for sufficiency and security than they are in the demand for the cessation of exploitation or in the demand for equality; and of the latter two the demand for the cessation of exploitation is itself by far stronger than the demand for mere economic equality.

We have a concrete instance of this in the movement among the miners and among the railway men. The earnings of the Proletariat engaged in either of the two great Capitalist industries would not be greatly raised if the profits were divided among the workers. But the sense of exploitation would be removed, and security and sufficiency would be guaranteed.

When we come to the *objects*, we must note a considerable modification that has arisen of late years in the original Socialistic plan. The first Socialists, the primitive school of Prudhon and Louis Blanc, postulated the ownership, management and control by officers of the State commanding all the means of production, and the distribution of all the results of labour. And this creed in its original purity was disseminated by a host of writers, the most popularly known of whom was a certain Jew whose family name was Mordecai, but whose family, as is common

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with this nation, concealed their origin under the assumed name of Marx. The wide advertisement given to this man's writings by his compatriots working throughout Europe on an international plan, has produced the common, but inaccurate, title of "Marxian" Socialism to describe those original and simple Socialistic formulæ.

But whilst the creed was spreading it came against certain realities of human association which modified it. The Proletariat in industrial centres had combined in unions or guilds to defend in particular the two elementary necessities of security and sufficiency. Such a combination is native to the European under all circumstances and became natural action under the stress of Capitalism. European men have always associated themselves by trades or professions into corporations struggling for and ultimately obtaining a certain measure of self-government. These associations, unions or guilds, which existed in the past among small proprietors, the possessors of the tools with which they worked, and the spirit of which was at the base of the village community everywhere in Christendom, gave a new tone to the movement. We therefore see at present, especially in Britain, where Capitalism had completely conquered and where therefore the reaction against it is universal, that the Socialist movement, the movement for Nationalization, is combined with the doctrine that the guild should control. In other words, the miners will work for the mines to be nationalized and the railway workers will work for the railways to be nationalized, with the understood proviso that though the State may be the ultimate owner, in theory at least, of the mines and the railways, yet the management of them and all questions of payment and hours within their body, shall lie with the workers of that particular guild rather than with the officials appointed by the State.

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We may sum up and say that the objects of Nationalization, here and now, at any rate, are not for the mere handing over of as many industries as possible to the politicians and their servants, but rather the handing over of these industries to the workers, with the admission of some State control indeed, but this jealously limited and subordinated as far as possible to the workers' guild.

Let us in conclusion turn to what is by far the most important practical department of the whole subject—the *probable results*.

We note in the first place that there is a descending scale in industries, proceeding from those which can most easily be dealt with in the fashion we have described to those which cannot be dealt with. The railways, for instance, could be nationalized tomorrow in the sense that if a bill were passed paying off existing shareholders in National Bonds, purchasing for the State with those bonds the shares in the railways and associating a combination of the railway men's unions with the State in the management of the railways for the future, such a bill would meet with no effective opposition. The railways are already organized in such a fashion that there would be no appreciable dislocation. The change in practice would be slight. The existing system is, save for certain paper and book-keeping arrangements, a national system already. You have but to substitute for the existing directors State nominees and elective representatives of the various unions, you have but to call the managers and sub-managers of various departments State nominees or elected representatives of the men, and the thing is done. The only practical issue would be the proportion of State and of guild control.

In another sphere, with the inclusion of a guild

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element of less activity, the same principle would apply with ease to economic fields already in the hands of the State ; to the Post Office, for instance, and to other State departments.

The guild element is not applicable to the armed forces of the Crown save in a very insignificant and local degree, and in only a slight degree is it applicable to the domestic police force. When we come to mines—which in this country means in vastly the greater part of its effect, coal mines—the practical difficulties are greater than in the case of railways. But they are surmountable. There would have to be much more differentiation between the various coal-fields than between the various departments of the more homogeneous railway industry, and there would have to be a number of modifications in detail which only those acquainted with the complexities of the mining industry could explain. But those who maintain that Nationalization is practically impossible on account of its complexities have not made out a case, nor can they make one out. For the industry, though complex in its details, is simple in its main operations, and differentiation in custom between various districts is also fairly simple in its relations between production and distribution.

The most serious problem in connection with such a change of management and ownership of mines is the varying shortness of life in each group of mines. But it may fairly be said that this difficulty, which is equally present in private ownership, could be met by the new system ; and could be better met because there would be some organization ensuring the maintenance and the migration of labour.

As we go down the scale the difficulties increase. The textile industries, for instance, depend largely upon the foreign markets. Difference of management and of marketing affects various units powerfully.

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The differentiation between various departments of the grouped industries is high.

When we have exhausted the main organized industries which account between them for a great deal less than half the Proletarian mass of the country, there still remains a swarm of lesser organizations down to the small groups of shops, and ultimately to agriculture, which is in its every aspect utterly incapable of submitting successfully to such an experiment.

There remains, while we are on the mere mechanical details, the case of urban land. Urban land could clearly be monopolized or nationalized with even greater ease than could be the easiest of the great industries—the railways.* The only difficulty would be in the practical apportionment of limits; the distinction between urban and non-urban land.

We may sum up, therefore, and say that so far as practical or mechanical difficulties are concerned, the demand for Nationalization is presented with a number of opportunities in a descending scale, of which the easiest—beginning with the railways—are immediately to hand, and of which the difficulties increase as one goes down; with the general conclusion that rather less than half† the economic activities of the country, including the leasing of urban land, is immediately available for experiment.

But the mechanical or practical difficulties do not concern us very much. They presuppose a nation virtually unanimous, or at any rate by a very large majority determined to achieve Nationalization, and no, or few, moral forces opposed. There are, on the contrary, very formidable moral forces opposed. The full demand for Nationalization is consciously

* I make no mention of shipping, fundamental and extended as that industry is in this country, because I am not pretending to an exhaustive survey, but only to the examination of a few general points.

† But much more than half the total product.

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present only with a minority. Even with that minority it enjoys no plan, and the result of the effort when it comes to be made will be very different from what its apologists imagine.

It is with this—immensely the most important point of all—that I will conclude.

You have three factors at work in the effort to nationalize.

These three factors are (1) the Proletariat ; (2) the general national tradition with its body of law, its custom, and the rest ; and (3) the Capitalist group. The latter is twofold, comprising, not in two separate camps but closely intermixed—the professional politicians of our parliamentary system and the beneficiaries of Capitalism.

English national tradition, like the tradition of every Western nation in Christendom, is based upon property, upon individual rights and upon a great measure of competition, let alone the remaining body of religious and moral doctrine inherited from the past, which, though weakening and disintegrating, still underlies the mass of opinion and will long, probably permanently, underlie it. All law and its administration, all the million forms of social action are inextricably interwoven with that tradition. The attempt to Nationalize must, and does, compromise with that tradition. Still more must it, and does it, compromise with the existing power of Capitalism. The Capitalists not only own the land and the machinery and the rest of it, they also own the avenues of information. For instance, I could not publish such an essay as this in any one of the great Capitalistic papers or in any one of the great Capitalistic reviews. They would not print it. It is the common experience of all those who deal seriously with these problems that they are confined to special organs of opinion which reach but a few.

In the compromise with Capitalism (and also tradition) the first and most obvious effect is the necessity

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for *purchase*. Logically the Socialist creed should demand not purchase but expropriation. But its votaries have compromised. They propose National Bonds, paying out the Capitalist, and national tradition aids this compromise as may be seen in the shocked expostulation of the Trades-Union leaders when certain of their more logical followers (a tiny handful) insist on expropriation—the only sincere and consistent Socialist policy.

But you cannot buy out a man with his own goods. The compromisers have, therefore, put forward the puerile suggestion that the Capitalists who have in their control *all* the means of information, and all the the power of suggestion as well, could be hoodwinked ! Thus, they suggest that they would buy but the shareholders with national bonds, and then gradually tax those bonds out of existence or convert them from a perpetual to a terminable property. *Permanent* bonds the Capitalist would accept with joy. It would be handing over his responsibilities to the State and giving him at least his own present income (almost certainly more) guaranteed against the chances of the future. When it came to making them terminable or taxing them out of existence—at the very first hint of such a thing—you would find a very different resistance from what you find in the proposal for “buying out” a particular department !

The result will necessarily be one of two things : either the Nationalization *by purchase* of but a small field—railways and mines, let us say—with the process thereupon halted for good and the Capitalists stronger than ever ; or, a more general extension of Nationalization with the meaning attached to that term, not of expropriation at all, but of State Capitalism—that is, of the State guaranteeing to the Capitalist class a permanent lien upon national production. And that is the Servile State.

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Further, you will have the constant and powerful claim to security and sufficiency over-riding the rest, so far as the Proletariat is concerned. The guilds (as they have come to be called) may be glad to hear that they are technically working for the nation and not for private Capitalists. They will certainly be proud to find that they have a part in the management, and prouder in proportion to the extension of that part.

But the imperative demand of their members will be for security and sufficiency in wages. This force, combined with the Capitalist motive for remaining the beneficiaries of Nationalization, will be irresistible, and its end also is the Servile State.

No matter what avenue you take towards your promised land through Nationalization, however broad and direct it may at first appear, it leads you at last if the policy be pursued upon a general scale, to the Servile State: that is to a stable, permanently established society in which the Capitalist class more strictly defined, more solidly confirmed, shall remain the beneficiaries of national production, and the Proletariat shall be sharply differentiated from them, guaranteed security and sufficiency, but also compelled by a whole new national machinery to labour for the benefit of others. That national machinery is already in existence. Its foundations were securely laid in the great Capitalist Insurance Act. Its workings develop and increase very strongly every day. The new Ministry of Health will register and tabulate the Proletariat in the schools. The Labour Exchanges will further organize and tabulate the whole body of workers who will be caught in a net from which they will have no escape.

The Parliamentary system and the professional politicians have eagerly lent themselves to this development for they are inextricably bound up with Capitalism, of which many of them are themselves the beneficiaries and the others the servants. It is the

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great Capitalist who directly bribes and maintains, makes or breaks, the professional politician, and Parliament is his servant. His newspapers, his gift of shares, his "pressure"—as it is euphemistically called—which he can bring to bear everywhere upon public life, is the master of the situation.

The true issue from Capitalism is the wider and yet wider distribution of private property. It connotes State action and State control and State endowment. These things are complementary to and necessary to a stable distribution of ownership. But they are healthy only if their object is the maintenance of such a distribution.

That distribution of property, the sane and only possible solution alternative to the Servile State, will be adopted here in Britain is unlikely indeed. It requires at the back of it a religion, and the religion is lacking. It requires a national mood protecting the small man against the great, favouring the family, conservative of what is normal to human society.

And that mood is not to be discovered save as a product of the Catholic Church.

HILAIRE BELLOC.



THE DIVINE WHEELS

AS the atoms of dust
In the track of the chariot rise and fall,
So the hosts of the Suns leap up
At the roar of Thy Burning Wheels, O Lord,—
A dance of luminous dust, a pall
That lifts its proud exultant sheen
Like an incense vapour unconsumed
In the vast timeless pure serene.

From the Italian of Niccolò Tommaseo, (1802-1874).

Trans. J. R. MEAGHER