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Review

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of diminishing productivity. Such is his general thesis. It may appear not dissimilar in essential characteristics from the "economic harmonies" which entered so largely as a moulding force into the earlier conceptions of the orthodox economists of this country, but Professor Clark certainly contrives to place old theories in a new setting and to add fresh material to existing stores of economic reasoning and speculation. He rarely, if he ever, fails to stimulate the instructed reader to opportune reflection by the ingenious aperçus which he affords of new developments of subtle thought. He may conduct, indeed, to an old, old familiar standpoint; but he leads us there by an untravelled and by no means obvious route, where we have need at every turn of his strong impelling guiding hands.

L. L. PRICE

New Worlds for Old. By H. G. WELLS. Pp. v+355. (London : Constable, 1908.) 6s.

IN these days of the historical spirit no educated person imagines that existing institutions will last for ever. Change has gone on continuously in the past, and it is absurd to suppose that we have reached the end. Economic organisation especially changes so rapidly that it requires no elaborate investigation to detect considerable changes in the short period which carries a man from his first youth to middle age. Can we discover any general tendency in the changes of which we have read or which we have seen? Most of us who have thought about the subject at all believe that, at any rate, one great feature in recent changes has been the substitution of the conscious co-operation of large bodies of persons for the isolated action of individuals or small family groups each serving their own interests either directly or by way of exchange with other individuals and families. Most of us, too, believe that this feature is not a mere passing phase, but is destined to continue—we do not quite know how long. The facts are scarcely in dispute. What we quarrel about is the proper attitude to adopt towards this feature of change. Are we to regard it as progress leading in the future to (or towards) a glorious ideal, or as retrogression leading eventually to catastrophe or reaction? We have, of course, at least one other choice : we may take refuge in agnostic opportunism and say that we do not and cannot know the far future, but can decide what is best for the particular moment, and ought to be content with that, and not be biassed in our decisions by hopes or fears as to " what all this is leading to."

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Mr. Wells takes the first of the three courses. He calls himself a Socialist, and wishes to convert others to Socialism. As might be expected, his sermon is more effective than most of those delivered by his party. Having more of the true historical spirit, he is ready to admit that the present is better than the past, and that in order that the future may be much better, it is necessary that the minds and bodies of men should be changed. He puts this improvement in the forefront instead of assuming that it will come about of itself if only we carry out certain changes in our arrangements with regard to the control of material things. I doubt, however, if he will make converts by the ten thousand. Though he has taken up modern weapons, he still encumbers himself heavily with the old. He cannot persuade himself to dispense altogether with the usual diatribes against profit-seekers and such-like bogeys of the ordinary Socialist. It is, I should say, a hopeless task to attempt to convert the ordinary anti-Socialist by these means. What is the use of trying to hold up "private enterprise" to odium because the South Eastern and Chatham Railway Companies serve the public badly *and* make no profits? The claim on behalf of the system is that it gives profits to people who do serve the public, and want of dividends to railway companies which manage badly is a point in its favour, not a point against it. What person of ordinary intelligence is likely to be affected by the cheap comparison suggested in the following passage :—

"Nobody who travels to London as I do regularly in the dirty, overcrowded carriages of the infrequent and unpunctual trains of the South Eastern Company, and who then transfers to the cleanly, speedy, frequent, in a word 'civilised,' electric cars of the London County Council, can fail to estimate the value and significance of this supersession of the private owner by the commonweal."

Did not electric tramways come from profit-ridden America? Is not the history of the way in which the introduction and improvement of tramways has been impeded by the "community" acting through the Law Courts, Parliament, town councils, towns' meetings, and plebiscites a thing of which any Socialist ought to be ashamed? The courts decided that tramways were a nuisance, and that local authorities could not allow them without Parliamentary sanction. Parliament put almost every imaginable obstacle except absolute prohibition in the way of local authorities or companies constructing them, and succeeded in making England the most backward country and London the most backward

town of any importance in the civilised world. "Speedy," says Mr. Wells! I observe that "as I do" in the passage quoted above refers only to the South Eastern. I cannot think that if Mr. Wells travelled regularly in the "L.C.C." (why not County of London?) cars he would say much about their speed. It is true that the extraordinary slowness is due to State regulation of speed and to an inefficient State police which allows every ill-conditioned carter to take half a minute off the time of a car (carrying perhaps 70 passengers), but these manifestations are the "commonweal" as much as the County Council. Again, the non-Socialist will scarcely refrain from scoffing when Mr. Wells promises him, or rather her, that in the Socialist Utopia she will get her wants satisfied in a State or municipal shop, "and if she does not like her service she will be able to criticise and remedy it, just as one can now criticise and remedy any inefficiency in one's local post office." I should say the general opinion is that the local post office (not including offices which are also private adventure shops) is the most unpleasant shop in the place to go into and the one which most wastes the time of its customers. Complaints to St. Martin's-le-Grand produce polite apologies, and nothing more.

Mr. Wells would have been more effective if he had not assumed the excellence of State service, had argued only that though it is still execrably bad, it certainly has improved, and can be much further improved. There are many things which we can trust Edward VII. to do for us tolerably which we should not have expected from Edward VI. There is no reason to suppose the process of improvement will not continue, and we may even hope to accelerate it greatly if we take in hand the education of officials, and perhaps even of legislators. While great things may thus be expected of corporate management in the future, there does not seem the same reason for expecting improvement in private enterprise. Profit-seeking works excellently where there is real competition, but as time goes on and the scale of businesses increases, the easy working of competition is more and more interfered with by aggregation and combination. Consider, for example, the English railway system. The management of each railway has been entrusted to a board of a dozen old gentlemen, who, though nominally elected by the shareholders, really perpetuate themselves by co-optation. A more absurd method of management could scarcely be devised. However (in spite of the unfortunate experience of the South Eastern corner in which Mr. Wells dwells), it has hitherto worked on the whole tolerably

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well because people have been able to compare the performances of different companies, and to a very great extent to choose which of them they would employ to transport their persons and their goods. If the public, or that portion of it which has this choice, partially withdraw patronage from any line, the old gentlemen in charge of it get frightened, and pension off their manager, or even in extreme cases introduce "new blood" among themselves. But if by working agreements and amalgamations all possibility of choice is taken away and rivalry practically disappears, these boards of co-opted old gentlemen will become quite intolerable and inferior to a board appointed by politicians afraid of the House of Commons and the electors.

In two respects Mr. Wells seems insufficiently thorough. Firstly, he is, I think, too complacent with regard to inequality in distribution. It is doubtless true that no scheme for improving distribution would be satisfactory if it involved considerable diminution in production, but, all the same, there is an immense loss involved in a distribution as unequal as the present, and any scheme of reform which abolished or greatly diminished it might very well claim support on that ground. Secondly, Mr. Wells seems to admit too much when he allows private milliners and dressmakers to continue "under Socialism." When a woman wants a hat or a dress made, "then probably, for all that the world is under Socialism, she will have to go to private enterprise: a matter of taste and individuality such as dress cannot be managed in a wholesale way." As we get richer do not our wants become more and more largely "matters of taste and individuality"? Mr. Wells attempts to save his face by saying that he does not think the milliner "will make a trading profit, but only an artist's fee," but this only means that the customer is to buy the material from the store—a trumpery detail. If this kind of thing is to be admitted, I fail to see where the difference in principle between our present condition and that of "the world under Socialism" is to be found. Under Socialism all the people who minister to wants of taste and individuality—an ever-increasing proportion of the population—are apparently to struggle or compete for profit, or "artist's fees," if Mr. Wells prefers that term, much as at present. I suppose Mr. Wells would say that if they do not succeed they can obtain employment on the State railways or municipal tramways, or in some other service which does not require the satisfaction of various individual tastes; but this answer cannot be said to be different in principle from that which is made by the community at present. Even now the community

steps in where people cannot find work for themselves. No objection could be taken to the absence of a difference in principle if it were not that Mr. Wells professes to be contending for a principle.

I lay Mr. Wells' book down with the question : Why cannot present-day Socialists be a little more courageous? Nothing in economics is more certain than that the best distribution—the distribution which makes a given amount of produce go furthest—is distribution according to need. It is equally certain that a community with a perfectly organised system of corporate control could arrange production more economically than it is arranged or likely to be arranged by our present mixed system. What is the difficulty in supposing that, given sufficient time, the corporate organisation may become perfect enough to arrange all production and distribution?

EDWIN CANNAN

Socialism and Agriculture. By EDWARD CARPENTER, T. C. DYMOND, LIEUT.-COL. D. C. PEDDER, and the FABIAN SOCIETY. (London : Fifield. 6d. Cloth 1s.)

THIS booklet commences with a description of the economic condition of a single country parish by Mr. Edward Carpenter, which, to the town-dweller, who has never had an opportunity of studying country life, must come in the nature of a revelation. But to those of us who are close students of the rural problem and have spent most of our lives in the country, the information does not come as new but rather as commonplace. We can verify Mr. Carpenter's statement of fact from the condition of things in the vast majority of rural parishes of our own acquaintance. It is well, however, in these days of rush and scurry, that someone should try to arrest the attention of thoughtful people to the disastrous result to the rural population of the enclosure of common lands from 1760 onwards by the lords of the manors and the landed class. Ten millions of acres of land, over which for centuries previously the common people had rights and privileges, were lost, and in this one particular parish to which Mr. Carpenter refers, it appears that 2,650 acres were enclosed in 1820. The noble duke (the name has recently been associated with a fierce denunciation of Socialism) who happened to be the lord of the manor, took 1,998 acres as his share of the plunder, and, says Mr. Carpenter, "now to-day in this village there is not a little field or corner left, absolutely not a solitary acre out of all that vast domain, which was once for the people's use,