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Fabian Tract No. 5.

FACTS FOR SOCIALISTS

FROM THE
POLITICAL ECONOMISTS AND STATISTICIANS.

PUBLISHED BY
THE FABIAN SOCIETY.

"No one can contemplate the present condition of the masses of the people without desiring something like a revolution for the better" (Sir R. GIFFEN, "Essays in Finance," vol. ii., p. 393).

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FACTS FOR SOCIALISTS

FROM THE
POLITICAL ECONOMISTS AND STATISTICIANS.

I.—The Nation's Income.

THE annual income of the United Kingdom was estimated by the following authorities at from eleven to thirteen hundred million pounds sterling.

	£
Sir Louis Mallet, K.C.S.I. (India Office), 1883-4, <i>National Income and Taxation</i> (Cobden Club), p. 23.....	1,289,000,000
Professor Leone Levi (King's College, London), <i>Times</i> , January 13th, 1885...	1,274,000,000
Professor A. Marshall (Cambridge Univer- sity), Report of Industrial Remunera- tion Conference, p. 194 (January, 1885), upwards of	1,125,000,000
Sir R. Giffen (Board of Trade), <i>Essays in</i> <i>Finance</i> , vol. ii., pp. 460, 472 (1886) ...	1,270,000,000
Mr. Mulhall (1892), <i>Dictionary of Statistics</i> , p. 320, Income for 1889	1,285,000,000
Professor A. L. Bowley, M.A. (1891), <i>Journal of Royal Statistical Society</i> , vol. lviii., part ii., p. 248	1,611,000,000

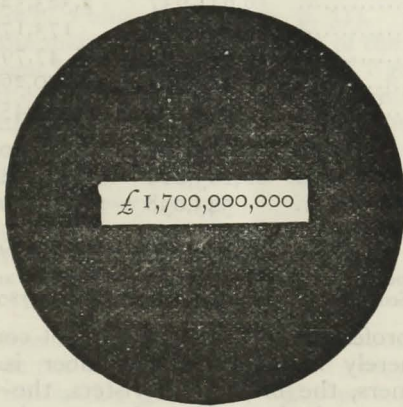
Since these estimates were made the gross assessments to income-tax have risen (1881-2 to 1896-7) by £98,996,087 (Statistical Abstract, C—7,143, and Inland Revenue Report, 1897-8, C—9,020). Allowing for a corresponding rise in the incomes not assessed and in the wages of manual labor, we may estimate the income for 1896-7 at not less than £1,700,000,000. The population in 1897 being nearly 40,000,000 (C—8,892, p. 250), the average annual income is about £42½ per head, or £170 per adult man.* In 1840 it was about £20½, and in 1860 £26½, per head (Mr. Mulhall, *Dict. of Statistics*, p. 245).

These figures (which are mainly computed from income-tax returns and estimated average rates of wages) mean that the price in money of the commodities and services produced in the country

* It has been assumed throughout that one person in every four is an adult male, and that there are, on an average, five persons to each family group.

during the whole course of a year was about £170 per adult man.* Most of these commodities and services were used up within that period in maintaining the 40,000,000 inhabitants, and Sir R. Giffen estimates that about £200,000,000 is "saved" annually (*Essays in Finance*, vol. ii., p. 407). The bulk of this "saving" consists of new houses and of new railways, steamers, machinery, and other aids to future labor.

For subsequent comparison the total is represented by the annexed figure :



II.—Who Produces It.

The desirable commodities and useful services measured by this vast sum are produced solely by the "efforts and sacrifices" (Cairnes), whether of muscle or of brain, of the working portion of the community, employed upon the gifts of Nature.

Adam Smith "showed that labor is the only source of wealth, . . . It is to labor, therefore, and to labor only, that man owes everything possessed of exchangeable value" (McCulloch's *Principles of Political Economy*, part ii., sec. 1).

"No wealth whatever can be produced without labor" (Professor Henry Fawcett (Cambridge), *Manual of Political Economy*, p. 13).

"That useful function, therefore, which some profound writers fancy they discover in the abundant expenditure of the idle rich turns out to be a sheer illusion. Political economy furnishes no such palliation of unmitigated selfishness. Not that I would breathe a word against the sacredness of contracts. But I think it is important, on moral no less than on economic grounds, to insist upon this, that no public benefit of any kind arises from the existence of an idle rich class. The wealth accumulated by their ancestors and others on their behalf, where it is employed as capital, no doubt helps to sustain industry; but what they consume in luxury and idleness is not capital, and helps to sustain nothing but their unprofitable lives. By all means they must have their rents and interest, as it is written in the bond; but let them take

* It may be observed that the estimated amount of "money" or currency in the country is about £130,000,000, or under £4 per head, including bank notes. Gold coin and bullion, between £80,000,000 and £100,000,000; silver and bronze, £15,000,000; bank notes, beyond gold reserves, £24,000,000 (W. S. Jevons, *Investigations in Currency and Finance*, p. 272; Report of Deputy-Master of the Mint, 1889; Mr. Goschen's Speech on Second Reading of the Coinage Act, 1891).

their proper place as drones in the hive, gorging at a feast to which they have contributed nothing" (*Some Leading Principles of Political Economy*, p. 32, by the late John Elliott Cairnes, M.A., Emeritus Professor of Political Economy at University College, London; 1874).

III.—Who the Workers Are.

Those who profess to be taking part in the work of the community were divided, at the census of 1891, into the following classes:

	Males.	Females.	Total.
Industrial	6,641,637	2,383,521	9,025,158
Agricultural	2,349,652	173,176	2,522,828
Commercial	1,616,065	47,795	1,663,860
Domestic	188,365	2,170,260	2,358,625
Professional	812,242	439,452	1,251,694
	11,607,961	5,214,204	16,822,165
Unoccupied, under 20...	6,163,219	6,795,984	12,959,203
Unoccupied, over 20 ...	543,038	7,407,509*	7,950,547
	18,314,218	19,417,697	37,731,915

(Compiled from Reports of the 1891 Census for England and Wales, C—7,058; Scotland, C—7,134; and Ireland, C—6,780).

Among the professed workers there are, of course, many whose occupation is merely nominal. The number is swelled by the "sleeping" partners, the briefless barristers, the invalids, and the paupers, prisoners, and sinecurists of every description. Many thousands more have occupations useless or hurtful to the community; and others, as for example many domestic servants, labor honestly, but for the personal comfort of the idlers, and they might, therefore, as far as production is concerned, as well be themselves idle.

Nevertheless, there were, in 1891, 543,038 adult men (one in twenty-two) who did not even profess to have the shadow of an occupation. Most of these form the main body of the idle rich, "the great social evil of . . . a non-laboring class" (J. S. Mill, *Political Economy*, Popular Edition, p. 455).

It is clear that the labor of the workers is much increased by the presence among them of so large a proportion of persons who take no useful part in the business of life. The possible reduction of the daily hours of work has, however, been much exaggerated. Thus Mr. William Hoyle, writing in 1871, committed himself to the assertion that, "assuming every person did his share, a total of $1\frac{1}{4}$ hours' daily labor would suffice to supply us in abundance with all the comforts of life" (*Our National Resources*, p. 56). It appears from the context that his calculation refers to a community composed exclusively of actual workers in the production of material necessities, whereas in ordinary human societies about half the population is under the age of twenty, and more than half the adults are women mostly occupied in domestic duties. The $1\frac{1}{4}$ hours daily have, therefore, at once to be multiplied fourfold, and account

* Most of these are married women engaged in domestic work, although not so described.

is even then taken only of food, clothing, houses, and furniture. The whole calculation is indeed of little value, and has never been accepted by other authorities.

IV.—How the Idle Rich Live.

“Whence is their purchasing-power derived? It does not descend to them from the skies; nor is it obtained by submarine telegraph direct from California or Australia; nor is its presence exhaustively accounted for by the presence of certain figures on the credit side of their accounts in their bankers' books” (Prof. J. E. Cairnes, *Some Leading Principles of Political Economy*, p. 31).

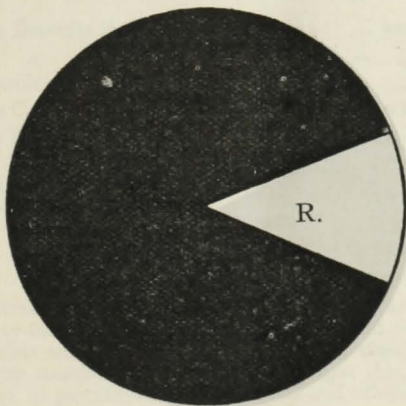
They live, in the main, upon the portions of the national product which are called rent and interest, by the legal “guarantee to them of the fruits of the labor and abstinence of others, transmitted to them without any merit or exertion of their own” (J. S. Mill, *Political Economy*, Popular Edition, p. 129).

“It is at once evident that rent is the effect of a monopoly” (J. S. Mill, *Political Economy*, p. 255).

“Monopoly, in all its forms, is the taxation of the industrious for the support of indolence, if not of plunder” (*Ibid*, p. 477).

V.—Rent.

The total “gross annual value” of lands, houses, tithes, etc., as assessed for income tax in 1896-7 was £214,199,332; the rents of mines, quarries, ironworks, gasworks, waterworks, canals, fishings, shootings, markets, tolls, etc., amounted to £27,700,653 (Inland Revenue Report, 1897-8, C—9,020). Many of these are notoriously far from being fully assessed. On the moderate assumption of an increase proportionate to the gross assessment to income tax, the total “rent”* of the United Kingdom must amount to two hundred and seventy-five millions sterling, or nearly one-sixth of the total produce.



Total produce, £1,700,000,000. R.—Rent, £275,000,000.

* In 1843 this total was (for Great Britain only) £95,284,497; in 1855 (for the United Kingdom) £124,871,885.

VI.—Interest on Capital.

Interest is distinguished by economists from the rent of land on the one hand, and the "wages of superintendence," or other payment for services, on the other.

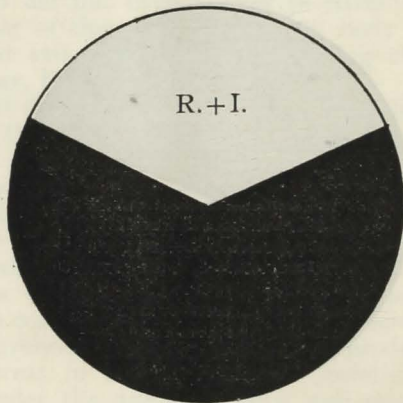
The profits of public companies, foreign investments, railways, etc., assessed to income-tax in the United Kingdom in 1896-7 amounted to £180,641,171. The interest payable from public funds (rates and taxes) was, in addition, £18,875,553 (Inland Revenue Report, 1897-8, C.—9,020).

That these amounts are understated may be inferred from Mr. Mulhall's estimate of the stocks, shares, bonds, etc., held in Great Britain alone, as being worth £2,655,000,000, producing an annual income of upwards of £122,000,000 (*Dictionary of Statistics*, p. 106). Sir Louis Mallet estimates the English income from foreign investments alone at £100,000,000 annually (*National Income and Taxation* (Cobden Club), p. 13), and later returns show that this estimate must be increased by £20,000,000.* Nearly the whole of this vast income may be regarded as being received without any contemporary services rendered in return by the owners as such.

We have, however, to add the interest on capital employed in private undertakings of manufacture or trade. This is included with "wages of superintendence" in business profit, both for the purpose of the income-tax returns and in ordinary speech. Sir R. Giffen estimated it, in 1884, apart from any earnings of personal service, at £89,000,000 (*Essays in Finance*, vol. II., p. 403). Allowing for the increase since then, the total amount of interest cannot therefore be less than £340,000,000.

Adding hereto the rent mentioned in the preceding section, we have a total of £615,000,000 for rent and interest together.

The following diagram represents the proportion of the nation's income thus claimed from the workers, not in return for any service



Total product, £1,700,000,000. R.—Rent, £275,000,000.
I.—Interest, £340,000,000.

* See Fabian Tract No. 7, "Capital and Land," p. 6.

rendered to the community, but merely as the payment for permission to use the land and the already accumulated capital of the country.

VII.—Profits and Salaries.

But those who enjoy the vast unearned income just mentioned cannot all be accurately described as the "idle rich," though they would forego none of it by refusing to work. If they are disposed to increase it by leading active lives, they can do so; and most of them adopt this course to some extent, especially those whose share is insufficient for their desires.*

When the members of this endowed class elect to work, they are able to do so under unusually favorable conditions. Associated with them in this respect are the fortunate possessors of exceptional skill in hand or brain and the owners of literary, artistic, or commercial monopolies of every kind. These workers often render inestimable service to the community, and they are able to exact in return remuneration proportionate neither to their utility nor to the cost of their education or training, but to the relative scarcity of the faculty they possess.

The numbers and total income of this large class cannot be exactly ascertained. It includes workers of all grades, from the exceptionally skilled artisan to the Prime Minister, and from the city clerk to the President of the Royal Academy.

It is convenient for statistical purposes to include in it all those who do not belong to the "manual-labor class." If we take the "rent of ability" to have increased in the same proportion as the assessments to income-tax, this prosperous body may be estimated to receive for its work about £435,000,000 annually. †

* As the unearned income is not equally distributed, some of the participants are in comparatively humble circumstances; but it may be observed that the "manual-labor class," or the poor, possess but a small fraction of the land and capital.

In 1897	The Deposits in P.O. Savings Banks	... were	£115,896,786
	" Trustee "	... "	48,464,797
	Consols purchased for small holders	... "	8,091,591
In 1896	The Capital of Building Societies was	44,974,574
	The Funds of Trade Unions, Co-operative, Friendly and Provident Societies "	21,664,925
	The Funds of Industrial Life Assurance Societies "	16,251,358
			<u>£255,344,031</u>

(see Statistical Abstract, C—8,992, and see also Fabian Tract No. 7, "Capital and Land"), or one forty-fourth part of the total accumulated wealth, and under £20 per head of the adult workers in the "manual-labor class," even supposing the whole was owned by members of that class. Against this, too, must be set the debts of the laborers to pawnbrokers, shopkeepers and others, which amount, in the aggregate, to a considerable sum.

† Some of this might, from another point of view, be reckoned rather as interest on the cost of education of valuable servants of the community, and accordingly deducted from this total and added to that of interest.

Sir R. Giffen : total income, less rent, interest, and wages of manual-labor class (<i>Essays in Finance</i> , 1886, vol. ii., p. 404)	£ 313,000,000
Professor A. Marshall : earnings of all above the manual-labor class (<i>Report of Industrial Remuneration Conference</i> , p. 194), 1885 ...	300,000,000
Mr. Mulhall : income of tradesmen class only (<i>Dictionary of Statistics</i> , p. 320), 1886	244,000,000
Sir R. Giffen : salaries of superintendence assessed to income-tax alone (<i>Essays in Finance</i> , 1886, vol. ii., p. 404).....	180,000,000

VIII.—The Classes.

The total amount of rent, interest, profits and salaries was estimated some years ago as follows :—

Professor Leone Levi (King's College, London), <i>Times</i> , 13th January, 1885	£753,000,000
Professor Alfred Marshall (Camb.), Report on Industrial Remuneration Conference, p. 194 (1885)	675,000,000
Sir R. Giffen, <i>Essays in Finance</i> , vol. ii., p. 467 (1886)	720,000,000
Mr. Mulhall, <i>Dictionary of Statistics</i> , p. 246...	818,000,000
Professor A. L. Bowley, <i>Statistical Society's Journal</i> , vol. lviii., part 2, p. 284 (1891)	912,000,000

The latest figures of the professional statisticians considerably increase these estimates.

On the basis of the increase in gross assessments to income-tax, we estimate that the total drawn by the legal disposers of what are sometimes called the "three rents" (of land, capital, and ability) amounts therefore at present to about one thousand and fifty million pounds sterling yearly, or nearly two-thirds of the total produce.

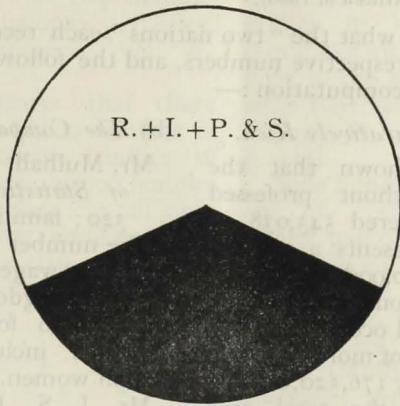
And the Masses.

The total amount of wages was at the same time estimated by the statisticians :—

Prof. Leone Levi (as above)	£521,000,000
Prof. A. Marshall (as above)	500,000,000*
Mr. Mulhall, <i>Dictionary of Statistics</i> , p. 320 ..	467,000,000
Sir R. Giffen, <i>Essays in Finance</i> , vol. ii., p. 467	550,000,000
Mr. J. S. Jeans, <i>Statistical Society's Journal</i> , vol. xlvii., p. 631	600,000,000
Prof. A. L. Bowley (as above)	699,000,000

* These estimates, which are based on average rates of wages, multiplied by the number of workers, assume, however, reasonable regularity of employment, and take no account of the fact that much of the total amount of nominal wages is reclaimed from the workers in the shape of rent. Much must, therefore, be deducted to obtain their real net remuneration.

Allowing for the increase since these estimates were made we may safely say that the manual-labor class receives for all its millions of workers only some six hundred and fifty millions sterling.



Rent	£275,000,000
Interest.....	340,000,000
Profits and Salaries	435,000,000
Total (that is the income of the legal proprietors of the three natural monopolies of land, capital and ability)	1,050,000,000*
Income of manual labor-class	650,000,000
Total produce	<u>£1,700,000,000</u>

IX.—The Two Nations.

This unequal division of the fruits of the combined labor of the working community divides us, as Lord Beaconsfield said, into "two nations," widely different from each other in education, in comfort, and in security. There is some limited central territory between, and some luckier few escape from the large camp in which their fellows are toiling to the more comfortable fortress of the monopolists, from which, on the other hand, others sink into destitution from extravagance or misfortune. But for the great majority the lines between these two nations are practically impassable.

It is not that this division is based on any essential differences in the industry or morality between individuals.

"Since the human race has no means of enjoyable existence, or of existence at all, but what it derives from its own labor and abstinence, there would be no ground for complaint against society if every one who was willing to undergo a fair share of this

* In this connexion it may be mentioned that the total income of the charities of the United Kingdom, including endowments, amounts to £10,040,000, or 1 per cent. of the foregoing total. £2,040,000 of this, it may be added, is expended upon Bible societies alone (Mulhall, *Dictionary of Statistics*, p. 112). The total cost of poor relief in 1897 was £12,540,245 (see p. 17).

labor and abstinence could attain a fair share of the fruits. But is this the fact? Is it not the reverse of the fact? The reward, instead of being proportioned to the labor and abstinence of the individual, is almost in an inverse ratio to it; those who receive the least, labor and abstain the most." (John Stuart Mill, *Fortnightly Review*, 1879, p. 226, written in 1869).

We have seen what the "two nations" each receive: it remains to estimate their respective numbers, and the following facts supply materials for this computation:—

(a) *The Comparatively Rich.*

It has been shown that the adult males without professed occupation numbered 543,038 in 1891. This represents a population of about 2,170,000, all of whom were living on incomes not derived from any specified occupation.

The landlords (of more than ten acres) number only 176,520, owning ten-elevenths of the total area (Mulhall, *Dictionary of Statistics*, p. 341).

The mortgage upon the industry of the community known as the National Debt was owned, in 1880, by only 236,514 persons,* 103,122 of whom shared in it only to the extent of less than £15 per annum each (Mulhall, *Dictionary of Statistics*, p. 262).

Only thirty-nine out of every 1,000 persons dying, leave behind them £300 worth of property (including furniture, etc.), and only sixty-one per 1,000 leave any property worth mentioning at all.

The number of estates exceeding £10,000 in value in 1897-8 upon which Probate Duty was paid was 3,635. They include over 70 per cent. of the total net capital of the estates liable for duty. (Inland Revenue Report, C—9,020.)

In 1898, the estates of 70 persons were proved for £45,241,117. Of these, seven were more than £1,000,000, fourteen over £500,000, and forty-nine over £250,000.

(b) *The Comparatively Poor.*

Mr. Mulhall, *Dict.*

of Statistics, p.

320; families ... 4,774,000

The number of persons "employed" at wages in the industries of the Kingdom is placed at thirteen to fourteen millions, and this includes over four million women.

Mr. J. S. Jeans,

Statistical Soci-

ety's Journal, vol.

xlvii., p. 631,

places the number at about ... 14,000,000

Sir R. Giffen,

Essays in Fi-

nance, vol. ii.,

p. 461 (separate

incomes of manual labor class). 13,200,000

Prof. Leone Levi,

Times, 13th Jan.

1885 (number of

workers in manual

labor class in

1881) 12,200,000

Sir R. Giffen,

Labor Commis-

sion Statistics,

six and a-quarter

million families

of wage

earners, or per-

sons 13,000,000

Prof. A. L. Bow-

ley, *Statistical*

Society's Jour-

nal, June, 1895,

manual laborers 13,000,000

* These include many banks, insurance companies, foreign potentates, and others not to be included in the present computation.

(a) *The Comparatively Rich.*

The incomes of £150 per annum and upwards are only $1\frac{1}{2}$ millions in number out of $16\frac{1}{2}$ millions of separate incomes (Giffen, *Essays in Finance*, vol. ii., p. 467).

Mulhall estimates that there were, in 1889, 222,000 families of the gentry, 604,000 families of the middle class, 1,220,000 families of the trading class; in all only about two million families above the manual-labor class of less than five million families (*Dictionary of Statistics*, p. 320).

(b) *The Comparatively Poor.*

Five and a-half million families live in separate houses under £20, and of these four and a-half million in houses under £10 rental, notwithstanding that the poor in the great towns live in large tenement houses* (Giffen, *Essays in Finance*, vol. ii., p. 348).

Nine hundred and thirty-nine out of every 1,000 persons (about half of whom are adults) die without property worth speaking of, and 961 out of every 1,000 without furniture, investments, or effects worth £300 (Mulhall, *Dictionary of Statistics*, from Probate Duty Returns, p. 279). Out of 54,991 estates for which Probate was granted in 1897-8, 30,047 were less than £500 each (Inland Revenue Report, C—9,020).

From returns obtained from 8,121 Private and Government Works, employing 862,365 persons, it appears that the average annual wage per head amounted to only £48. These returns include the police and other public servants, but do not take any account of agricultural and general laborers. (Annual Report of Labor Department, Board of Trade, 1893-4, C—7,565).

X.—The Competitive Struggle.

Disguise it as we may by feudal benevolence, or the kindly attempts of philanthropists, the material interests of the small nation privileged to exact rent for its monopolies, and of the great nation, thereby driven to receive only the remnant of the product, are permanently opposed. "The more there is allotted to labor the less there will remain to be appropriated as rent" (Fawcett, *Manual of Political Economy*, p. 123).

* This includes, of course, the rural districts, where a comfortable house may generally be obtained below £20 annual rental; but more than a third of the population now live in towns, where the poor are often herded together in slums yielding more than that rental per house.

It is therefore "the enormous share which the possessors of the instruments of industry are able to take from the produce" (J. S. Mill, quoting Feugueray, *Principles of Political Economy*, p. 477, Popular Edition of 1865), which is the primary cause of the small incomes of the comparatively poor. That neither class makes the best possible social use of its revenues, and that both waste much in extravagance and vice, is an apparently inevitable secondary result of the unequal division, which it intensifies and renders permanent; but it is a secondary result only, not the primary cause. Even if the whole "manual-labor class" received £48* per adult, which is the average income of those who are best off, and made the best possible use of it, it would still be impossible for them to live the cultured human life which the other classes demand for themselves as the minimum of the life worth living. It is practically inevitable that many of the poor, being debarred from this standard of life, should endeavor to enjoy themselves in ways not permanently advantageous to themselves or to society.

The force by which this conflict of interest is maintained, without the conscious contrivance of either party, is competition, diverted, like other forces, from its legitimate social use. The legal disposers of the great natural monopolies are able, by means of legally licensed competition, to exact the full amount of their economic rents; and the political economists tell us that so long as these natural monopolies are left practically unrestrained in private hands, a thorough remedy is impossible.

In 1874, Professor Cairnes thought that some help might be found (at any rate by the better-paid laborers) by means of co-operation in production. He then wrote:

"If workmen do not rise from dependence upon capital by the path of co-operation, then they must remain in dependence upon capital; the margin for the possible improvement of their lot is confined within narrow barriers, which cannot be passed, and the problem of their elevation is hopeless. As a body, they will not rise at all. A few, more energetic or more fortunate than the rest, will from time to time escape, as they do now, from the ranks of their fellows to the higher walks of industrial life, but the great majority will remain substantially where they are. The remuneration of labor, as such, skilled or unskilled, can never rise much above its present level." (Prof. J. E. Cairnes, *Some Leading Principles of Political Economy*, p. 348; 1874.)

Twenty-five years have passed away since these words were written, and it must now be apparent, even to the most sanguine of individualists, that the chance of the great bulk of the laborers ever coming to work upon their own land and capital in associations for co-operative production, has become even less hopeful than it ever was; and Dr. J. K. Ingram tells us that modern economists, such as Professors T. E. Cliffe Leslie and F. A. Walker, regard the idea as "chimerical" (Article on "Political Economy" in *Encyclopædia Britannica*, vol. xix., p. 382). Even so friendly an economist as Mr. Leonard Courtney agrees in this view. Yet this, according to authorities so eminent, is the only hope for the laborer under the present arrangements of society, or any other that the Professor could suggest.

* See Annual Report of Labor Department, Board of Trade, 1893-4, C-7565.

XI.—Some Victims of the Struggle.

The statistics hitherto quoted have been mainly based on the assumption of reasonable regularity of employment. But of the great permanent army of the "unemployed," no reliable statistics can be obtained. From returns rendered to the Labor Department of the Board of Trade by Trade Unions, it appears that in the severe years, 1892-8, the mean percentage of members unemployed was 7.4 (Annual Report of Labor Department, Board of Trade, 1897-8, C—9,011). The average number of persons in London whose home is the "common lodging-house" is over 30,000; over 1,100 are every night found in the "casual wards."

As regards the four millions of persons in the metropolis, Mr. Charles Booth tells us that 37,610, or 0.9 per cent., are in the lowest class (occasional laborers, loafers, and semi-criminals); 316,834, or 7.5 per cent., in the next (casual labor, hand-to-mouth existence, *chronic want*); 938,293, or 22.3 per cent., form "the poor" (including alike those whose earnings are small, because of irregularity of employment, and those whose work, though regular, is ill-paid). These classes, on or below the "poverty line" of *earnings not exceeding a guinea a week per family*, number together 1,292,737, or 30.7 per cent. of the whole population. To these must be added 99,830 inmates of workhouses, hospitals, prisons, industrial schools, etc., making altogether nearly 1,400,000 persons in this one city alone whose condition even the most optimistic social student can hardly deem satisfactory (*Labor and Life of the People*, edited by Charles Booth, 1891. Vol. ii., pp. 20-21).

The ultimate fate of these victims it is not easy adequately to realize. In London alone, in 1897, no less than 41 persons, of whom 19 were fifty years old and upwards, were certified by the verdicts of coroners' juries to have died of starvation (P—353). Actual starvation is, however, returned as the cause of death in but a few cases annually; and it is well known that many thousands of deaths are directly due to long-continued under-feeding and exposure. Young children especially suffer.

The infantile death-rate at Bethnal Green is twice that of Belgravia. Holborn (151,835) and St. George's, Hanover Square (149,748), have almost equal populations; yet, in the former, 1,614, in the latter, only 1,007 children under five died in 1884* (Registrar-General's Report, 1886, pp. 32, 126, C—4,722).

In England and Wales in 1897, 71,906 deaths were registered as having taken place in workhouses, infirmaries, hospitals, and asylums, or 13.3 per cent. of the total deaths. Of these, 40,895 occurred in workhouses, 23,836 in hospitals, and 7,175 in lunatic asylums.

In London one person at least in every four will die in the workhouse, hospital, or lunatic asylum. In 1897, out of 79,613 deaths, 42,837 being twenty years of age and upwards, 13,242 were in workhouses, 8,470 in hospitals, and 389 in lunatic asylums, or, altogether, 22,101 in public institutions (Registrar-General's

* No figures for a comparison of this kind are given in the Registrar-General's Reports for years subsequent to 1884.

Report, 1897, C—9,016). The percentage of the total deaths from 1861-5 was 16.2; in 1871-5 it was 17.4; in 1881-5 it was 21.1; in 1886-90 it was 23.4.

It is worth notice that a large number of those compelled in their old age to resort to the workhouse have made ineffectual efforts at thrifty provision for their declining years. In 1890-91, out of 175,852 inmates of workhouses (one-third being children, and another third women) no fewer than 14,808 have been members of benefit societies. In 4,593 cases the society had broken up, usually from insolvency (House of Commons Return, 1891, Nos. 366 and 130—B). It is probable that one in every three London adults will be driven into these refuges to die, and the proportion in the case of the "manual-labor class" must of course be still larger. And the number of persons who die while in receipt of out-door relief is not included in this calculation. As in 1897 the mean number of out-door paupers in the metropolis was 52,883 (C—8,978), and the average death-rate in London was 19.6 per 1,000, it may be assumed that at least 1,000 persons died while in receipt of out-door relief—often from its being insufficient.

The deaths by suicide in England and Wales per million living were 1,347 in 1861; in 1893 they were 2,796, or an increase from 67 to 92 per million.

Dr. Playfair says that 18 per cent. of the children of the upper class, 36 per cent. of those of the tradesmen class, and 55 per cent. of those of the workmen, die before they reach five years of age (quoted at p. 133 of *Dictionary of Statistics*, by Mr. Mulhall, who, however, thinks it "too high an estimate").

17,517 persons died by fatal accidents in 1897 (Registrar-General's Report, C—9,016), 936 losing their lives in mines, 975 on railways, 222 in working machinery, 691 by poisoning and poisonous vapors, and 241 by falls from scaffolding, etc., in building operations. These are figures for England and Wales alone, and would be much increased by including the accidents in Scotland and Ireland.

The Board of Trade Report on "Railway Accidents" during the year 1898 shows that 504 railway servants were killed, and 4,149 injured, by accidents on the lines, being about 1 in 923, and 1 in 112, respectively, of the persons employed. Of these, 18 were killed and 481 injured whilst coupling or uncoupling vehicles. (C—9,260.)

"At present the average age at death among the nobility, gentry, and professional classes in England and Wales was 55 years; but among the artisan classes of Lambeth it only amounted to 29 years; and whilst the infantile death-rate among the well-to-do classes was such that only eight children died in the first year of life out of 100 born, as many as 30 per cent. succumbed at that age among the children of the poor in some districts of our large cities. The only real causes of this enormous difference in the position of the rich and poor with respect to their chances of existence lay in the fact that at the bottom of society wages were so low that food and other requisites of health were obtained with too great difficulty" (Dr. C. R. Drysdale, Report of Industrial Remuneration Conference, p. 130).

"Anyone who is acquainted with the state of the population of all great industrial centres, whether in this or other countries, is aware that amidst a large and increasing body of that population there reigns supreme . . . that condition which the French call *la misère*, a word for which I do not think there is any exact English equivalent. It is a condition in which the food, warmth, and clothing, which are necessary for the mere maintenance of the functions of the body in their normal state,

cannot be obtained; in which men, women, and children are forced to crowd into dens wherein decency is abolished, and the most ordinary conditions of healthful existence are impossible of attainment; in which the pleasures within reach are reduced to brutality and drunkenness; in which the pains accumulate at compound interest in the shape of starvation, disease, stunted development, and moral degradation; in which the prospect of even steady and honest industry is a life of unsuccessful battling with hunger, rounded by a pauper's grave. . . . When the organization of society, instead of mitigating this tendency, tends to continue and intensify it; when a given social order plainly makes for evil and not for good, men naturally enough begin to think it high time to try a fresh experiment. I take it to be a mere plain truth that throughout industrial Europe there is not a single large manufacturing city which is free from a vast mass of people whose condition is exactly that described, and from a still greater mass, who, living just on the edge of the social swamp, are liable to be precipitated into it." (Professor Huxley, *Nineteenth Century*, February, 1888).

One great cause of the short and miserable lives of the poor is the insanitary condition of the slums in which many of them are compelled to dwell. The strongest testimony to the evil effects of such surroundings comes from the insurance companies. The industrial friendly societies have in each large town their "proscribed streets." The Liverpool Victoria Legal Friendly Society proscribes, for Liverpool alone, on account of their insanitary character, 167 "streets wherein no members of the Society may be entered" (Circular of the 13th October, 1886). Yet these unhealthy streets are not too bad to be the only homes of thousands of the poorer citizens of that commercial centre.

INFANT MORTALITY.

"The best indication probably as to whether the conditions of life in any locality are healthy or the reverse is the infant mortality" (*The Dwelling House*, by G. V. Poore).

"In the decennial supplement of the Registrar-General, published in 1896, Dr. Tatham gives a table (Table II., p. lxxxii. *et seq.*) of the 'annual death-rate per million living among children under five years of age, from all causes, and from several causes 1881-90.'"

"We find that the death-rate of children under five from all causes in England was 56·825 per million; that the highest death-rate among children was in Lancashire (72·795), and the next highest was in the county of London (68·164). The lowest death-rate was in the county of Dorset."

The highest death rates were:

Liverpool	114·253	} Child Mortality.
Strand	109·596	

"To Liverpool, therefore, belongs the distinction of being the most unwholesome place for little children in the whole country, and the 'Strand,' which constitutes the very centre of London, comes next."

"The deaths of children under one year of age per 1,000 births is a safe criterion of the health conditions of a locality. The figures for the ten years 1881-90 were, for the whole of England and Wales, 142. In Liverpool it was 219, in Preston 203, in the Strand, 226."

OVERCROWDING STATISTICS. From Census 1891 General Report.
(C—7,222. 1893.)

ENGLAND AND WALES.—OVERCROWDING.

Tenement with	No. of 1 to 4 roomed tenements with more than two occupants per room.	No. of occupiers of such tenements.	Percentage of population in such tenements.
1 room	92,259	357,707	1·23
2 rooms	184,231	1,124,056	3·88
3 rooms	120,031	951,877	3·28
4 rooms	85,132	824,404	2·84
	<hr/> 481,653	<hr/> 3,258,044	<hr/> 11·23

“The *total* number of tenements in England and Wales was, according to the returns, 6,131,001, which gives, with a population of 29,002,525, an average of 4·7 persons to each tenement.”

“The six great *towns* in which the percentage of overcrowded persons was the highest were as follows:—

Gateshead	40·78	Plymouth	26·27
Newcastle-on-Tyne ...	35·08	Halifax	21·31
Sunderland	32·85	Bradford	20·61

The six registration *counties* with most overcrowding (London omitted) were:—

Northumberland	38·69	Pembroke	14·33
Durham	34·03	Cumberland	13·02
West Riding of Yorks	16·49	Warwickshire	11·82

“Speaking generally, it would appear that the coal-bearing counties are those where the crowding of dwellings is most severe.”

OVERCROWDING IN LONDON REGISTRATION COUNTY.

830,182 persons living more than two in a room = 19·71 per cent. to total population. (General Report, 1891 Census, p. 118).

“This figure of nearly 20 per cent., however, is based on the population of the whole town, which in 1891 was 4,211,743. To ascertain the real nature of the overcrowding problem, it is essential to look more closely into the details of the different districts of London. It will then be found that in such central parts as Holborn, Clerkenwell, St. Luke's, Whitechapel and St. George-in-the-East, the overcrowding exceeds 35 per cent. Look more closely into selected areas in these districts and the problem appears even more serious. The average number of persons per acre for all London is 56. In the Old Artillery Ground it is 427, in Spitalfields it is 322, in Mile End Old Town it is 269. These three districts are in Whitechapel” (*London Government*, by Frederick Whelen, p. 67).

The detailed figures of overcrowding can be obtained for each London Sanitary District by reference to the official returns. The figures have been extracted, and are tabulated in Vol. IV. of “London Statistics,” issued by the London County Council, and to be obtained of P. S. King and Son.

MORTALITY AND OVERCROWDING (LONDON).

Proportion of Total Population living more than two in a room (in Tenements of less than five rooms).	Death-rate, "All Causes," 1885-92.
Districts with under 15 per cent.	17.51
" " 15 to 20 per cent.	19.51
" " 20 to 25 "	20.27
" " 25 to 30 "	21.76
" " 30 to 35 "	23.92
" " over 35 "	25.07

London Government, p. 68.

We log our public poor relief with irksome and degrading conditions, so that the honest poor often die lingering deaths rather than accept it. Mr. Charles Booth states that "as regards entering the workhouse, it is the one point on which no difference of opinion exists among the poor. The aversion to the 'house' is absolutely universal, and almost any suffering and privation will be endured by people rather than go into it" (*The Aged Poor in England and Wales*). Yet the paupers in actual receipt of public relief on one day number more than a million :

England and Wales, 1st January, 1898	823,350	cost	£10,432,189
Scotland, 14th January, 1898	101,408	;;	1,058,214
Ireland, 8th January, 1898	100,346	;;	1,049,842
	1,025,104		£12,540,245

(Report of Local Government Board, England and Wales; Report of Board for Supervision of Poor, Scotland; Report of Local Government Board, Ireland, and Statistical Abstract, C—8992.)

But the relief is not usually given permanently; to obtain the number of different individuals who receive relief during a year, we must multiply the daily number by 2.3. (This is the latest computation given in Mr. Charles Booth's paper before the Statistical Society, December, 1891. See also his *Pauperism, a Picture; and the Endowment of Old Age, an Argument*.) This gives a pauper class during any one year of about 2,360,000 persons, or 1 in 11 of the manual-labor class. In some rural districts every aged laborer is a pauper.

The maintenance of these paupers cost £12,540,245 per annum. But in addition to this public expenditure, the various charitable societies spend £10,040,000 annually (Mr. Mulhall, *Dictionary of Statistics*, p. 112), and the charity of individuals is known to be enormous. The numbers of the destitute class must therefore be largely increased. Sir R. Giffen talks of the class of five millions "whose existence is a stain on our civilization" (*Essays in Finance*, vol. ii., p. 350). It is the lot of at least one in five of the manual-labor class—of 16 in every 100 of the whole population—to belong to this class.

"To me, at least, it would be enough to condemn modern society as hardly an advance on slavery or serfdom, if the permanent condition of industry were to be that which we behold, that 90 per cent. of the actual producers of wealth have no home that they can call their own beyond the end of the week; have no bit of soil,

or so much as a room that belongs to them; have nothing of value of any kind except as much old furniture as will go in a cart; have the precarious chance of weekly wages which barely suffice to keep them in health; are housed for the most part in places that no man thinks fit for his horse; are separated by so narrow a margin from destitution, that a month of bad trade, sickness, or unexpected loss brings them face to face with hunger and pauperism. . . . This is the normal state of the average workman in town or country" (Mr. Frederick Harrison, p. 429, Report of Industrial Remuneration Conference, 1886).

The normal state of the "average workman" is the average normal state of four out of five of the whole population (Prof. Leone Levi, *Times*, 13th January, 1885).

XII.—The Evil and the Remedy.

"The deepest root of the evils and iniquities which fill the industrial world is not competition, but the subjection of labor to capital, and the enormous share which the possessors of the instruments of industry are able to take from the produce." (J. S. Mill quoting Feugueray, *Principles of Political Economy*, p. 447, edition of 1865).

"We have been suffering for a century from an acute outbreak of individualism, unchecked by the old restraints, and invested with almost a religious sanction by a certain soul-less school of writers" (Prof. H. S. Foxwell, University College, London, p. 249 of essay in *The Claims of Labor*, 1886).

"It is indeed, certain that industrial society will not permanently remain without a systematic organization. The mere conflict of private interests will never produce a well-ordered commonwealth of labor" (article on "Political Economy" in *Encyclopædia Britannica*, vol. xix., 1886, p. 382, since published as the *History of Political Economy*, by J. K. Ingram, LL.D., Trinity College, Dublin).

Socialists affirm that the evil can never be remedied until the "two nations" are united by the restitution to public purposes of rent and interest of every kind, and by the growth of social sympathy promoted by the accompanying cessation of class distinctions. It will be seen by the above quotations that this position is based on the facts of the case as ascertained and declared by the recognized authorities in statistics, and is in entire harmony with the doctrines of Political Economy.

XIII.—Some Steps already taken towards Socialism.

The restitution to public purposes of rent and interest of every kind cannot be effected by revolution, or by one or a dozen Acts of Parliament. Legislative reforms are needed, but they must be supplemented by a thoroughly organized exercise by all local authorities, from Parish to County Councils, of the powers they already possess. The supply of water, gas, and electric light, the establishment of markets, slaughter-houses, tramways, baths, wash-houses, cemeteries, harbors, libraries, bands, art galleries, museums, open spaces, gymnasia, allotments, the building of workmen's dwellings and municipal lodging-houses are being carried on by municipal authorities for the common good. They might be extended to every urban community in the kingdom if public opinion and

public enterprise were sufficiently alert to their opportunities. The following figures show the influence of socialistic principles in our municipal administration. A House of Commons Return, issued in March 1899, gives a summary of the reproductive undertakings carried on by 265 municipal boroughs in England and Wales: total capital, £88,152,595; balance outstanding, 31st March 1898, £71,883,232; average annual income for five years to 31st March 1898, £8,898,386; average annual working expenses for the same period, £5,319,597; average annual net profit for the same period, £3,613,668 (H.C.—88, 7th March, 1899).

The establishment of Works Departments and the direct employment of labor is a result of municipal development which is yearly transforming hundreds of workers into State servants.

The restitution of rent and interest to public purposes will be mainly brought about by means of progressive taxation in the shape of graduated death duties, a graduated differentiated income tax, and the rating of land values. The Budget of 1894 not only cleared the way for the application of socialist principles to taxation, but immediately brought a largely increased revenue out of accumulated capital into the national exchequer. It enacted a scale of duties varying from 1 per cent. on estates of £500 to 8 per cent. on those of £1,000,000 and over. During the year 1897-8 the revenue from the death duties was £15,449,190, as against £9,979,691 in 1893-4 (C—9,020).

By these and similar means, very greatly extended, the emancipation of the workers from the burden of private monopoly will slowly but surely come.

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