

FABIAN TRACT, No. 5.

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# 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" (Mr. R. GIFFEN, "Essays in Finance," vol. ii., p. 393).

"It is the great error of reformers and philanthropists in our time, to nibble at the consequences of unjust power instead of redressing the injustice itself" (JOHN STUART MILL, "Principles of Political Economy," p. 579).

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FIFTH EDITION. FORTIETH THOUSAND.

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PRICE ONE PENNY.

LONDON :

TO BE OBTAINED OF THE FABIAN SOCIETY, 276 STRAND, W.C.

FEBRUARY, 1892.



# 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 twelve to thirteen hundred million pounds sterling or the population in 1881 being nearly 35,000,000, about £35 per head, or £140 per adult man.\* In 1840 it was about £20½, and in 1860 £26½, per head (Mr. Mulhall, "Dictionary of Statistics," p. 245).

	£
Sir Louis Mallet, K.C.S.I. (India Office), 1883—4, "National Income and Taxation" (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
Mr. R. Giffen (Board of Trade), "Essays in Finance," vol. ii., pp. 460, 472 (1886)	1,270,000,000
Mr. Mulhall, 1883, "Dictionary of Statistics," p. 245, Income for 1882 .....	1,247,000,000
Professor A. Marshall (Cambridge University), "Report of Industrial Remuneration Conference," p.194 (January, 1885), "upwards of" .....	1,125,000,000

Since these estimates were made the assessments to income-tax have risen (1882 to 1889) by £22,000,000 ("Statistical Abstract," C—6159). Allowing for a corresponding rise in the incomes not assessed and in the wages of manual labor, we may estimate the income for 1889 at not less than £1,350,000,000. During this same period the population has risen to 37,000,000 (37,740,000 in 1891).

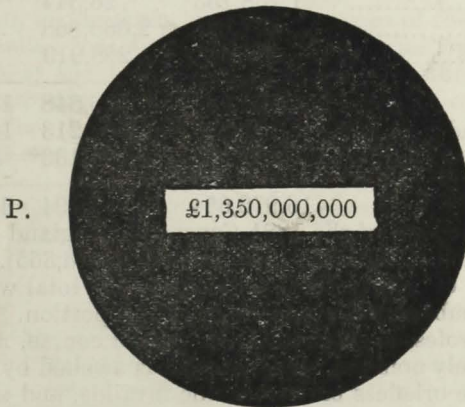
These figures (which are mainly computed from income-tax returns and estimated average rates of wages) mean that the price in money of the commodities and services produced in the country during the whole course of a year was about £145 per adult man.† Most of these commodities and services were used up within that period in maintaining the 37,000,000 inhabitants, and Mr. Giffen

\* 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.

† 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," pp. 272; Report of Deputy-Master of the Mint, 1889; Mr. Goschen's Speech on Second Reading of the Coinage Act, 1891).

estimates that not more than about £200,000,000 is "saved" annually ("Essays in Finance," vol. ii., p. 407). The bulk of this "saving" exists in the form of new railways, houses, roads, machinery, and other aids to future labor.

For subsequent comparison the total is represented by the annexe<sup>3</sup> 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 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 professed to be taking part in the work of the community were divided, at the census of 1881, into the following classes :

	Males.	Females.	Total.
Industrial .....	5,889,720	2,097,809	7,997,529
Agricultural .....	2,435,569	215,108	2,650,677
Commercial .....	1,158,155	26,344	1,184,499
Domestic.....	317,868	2,088,868	2,406,536
Professional .....	652,943	288,919	941,862
	10,464,255	4,716,848	15,181,103
Unoccupied, under 20 ...	6,101,230	6,611,213	12,712,443
Unoccupied, over 20.....	407,169	6,584,133*	6,991,302
	16,972,654	17,912,194	34,884,848

(Compiled from Reports of the 1881 Census for England and Wales, C—3,797; Scotland, C—3,657; and Ireland, C—3,365). The subsequent addition of nearly three millions to the total will have left this distribution substantially unchanged in proportion.

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 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 1881, 407,169 adult men (one in twenty-one) 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 their 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 necessaries, 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 is even taken only of food, clothing, houses, and furniture. The whole calculation is indeed of little value, and has never been accepted by other authorities.

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

## 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).

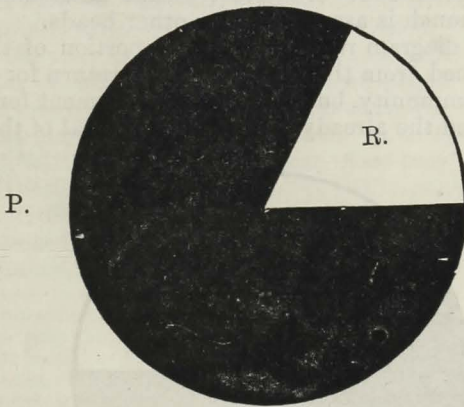
They live, in the main, upon the portions of the national product which are called rent and interest, by the legal “guarantee to them of the fruits of the labor and abstinence of others, transmitted to them without any merit or exertion of their own” (J. S. Mill, “Political Economy,” Popular Edition, 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 “annual value” of lands, houses, tithes, etc., as assessed for income tax in 1888-9, was £197,000,000; the rents of mines, quarries, ironworks, gasworks, waterworks, canals, fishings, shootings, markets, tolls, etc., amounted to £22,700,000 (“Inland Revenue Report, 1890, C—6187). Many of these are far from being fully assessed, and the total “rent”\* of the United Kingdom must, therefore, be at least two hundred and twenty millions sterling, or nearly one-sixth of the total produce.



P.—Total produce, £1,350,000,000. R.—Rent, £220,000,000.

## 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.

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

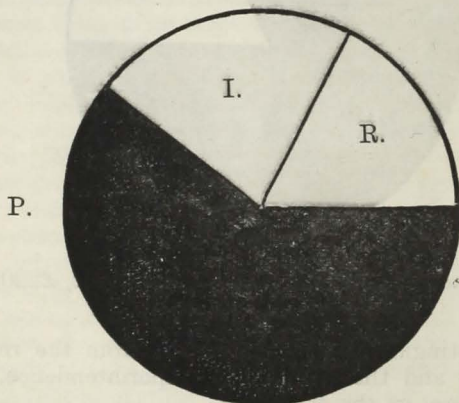
The profits of public companies, foreign investments, railways, etc., assessed to income-tax in the United Kingdom in 1888-9 amounted to £128,240,000. The interest payable from public funds was, in addition, £45,240,000 ("Inland Revenue Report," 1890, C—6187).

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 £3,491,000,000, producing an annual income of upwards of £155,000,000 ("Dictionary of Statistics," p. 256). And Sir Louis Mallet estimates the English income from foreign investments alone at £100,000,000 annually ("National Income and Taxation" (Cobden Club), p. 13). 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. Mr. Giffen estimated it in 1884, apart from any earnings of personal service, at £89,000,000 ("Essays in Finance," Vol. II., p. 403).

The total amount of interest cannot therefore be less than £270,000,000. Adding hereto the rent mentioned in the preceding paragraph, we have a total of £490,000,000 for rent and interest together. This estimate receives support from Mr. Giffen's computation that the amount under these heads actually assessed for income-tax was in 1884 £407,000,000 ("Essays in Finance," Vol. II., p. 401). It has often been stated by the Commissioners of Inland Revenue that large amounts of interest escape assessment, and it is well known that much is assessed under other heads.

The following diagram represents the proportion of the nation's income thus claimed from the workers, not in return for any service rendered to the community, but merely as the payment for permission to use the land and the already accumulated capital of the country.



P.—Total product, £1,350,000,000. R.—Rent, £220,000,000.  
I.—Interest, £270,000,000.

## 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; 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 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. (See Professor F. A. Walker, "Principles of Political Economy").

The numbers and total income of this large class cannot be exactly ascertained. It includes workers of all grades, from the exceptionally skilled artizan 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." So defined, this prosperous body may be estimated to receive for its work about £360,000,000 annually.†

Mr. R. Giffen: total income less rent, interest, and wages of manual-labor class ("Essays in Finance," Vol. II., p. 404) .....	£ 313,000,000
Mr. Mulhall: ditto ("Dictionary of Statistics," p. 28) .....	350,000,000
Professor A. Marshall: earnings of all above the manual-labor class ("Report of Indus- trial Remuneration Conference," p. 194)	300,000,000
Mr. Mulhall: income of tradesmen class only ("Dictionary of Statistics," p. 246) .....	244,000,000
Mr. R. Giffen: salaries of superintendence assessed to income-tax alone ("Essays in Finance," Vol. II., p. 404) .....	180,000,000

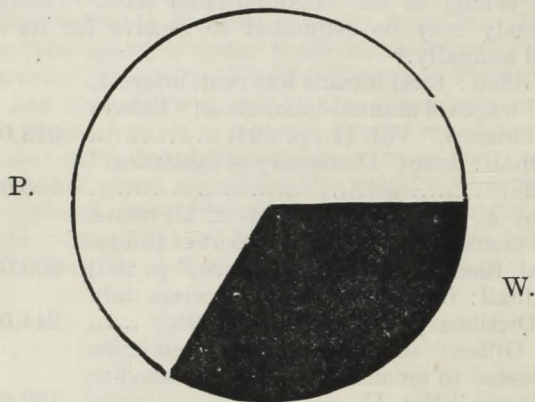
\* As the unearned income is not equally distributed, some of the participants are in comparatively humble circumstances; but it may be observed that the "manual-labor class," or the poor, possess practically none of it, the total capital of savings banks, trade unions, benefit, building, co-operative, and mutual societies of every sort being only £185,036,591 in 1889 according to the Blue Book Report (see Fabian Tract No. 7, "Capital and Land," p. 8, where particulars are given), or less than 2 per cent. of the total accumulated wealth, and about £14 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 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. In forming this estimate allowance has been made, as in the previous computations, for the increase during the six or seven years since the estimates quoted were formed.

## VIII.—THE CLASSES AND THE MASSES.

The total drawn by the legal disposers of what are sometimes called the "three rents" (on land, capital, and ability), amounts, therefore, at present to about eight hundred and fifty million pounds sterling yearly, or nearly two-thirds of the total produce. The following estimates, framed some years ago, support this view :

Mr. Giffen, "Essays in Finance," Vol. II., p. 467	£720,000,000
Mr. Mulhall, "Dictionary of Statistics," p. 246	818,000,000
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	675,000,000
The manual-labor class receives, on the other hand, for all its millions of workers, only some five hundred millions sterling.	
Mr. Giffen, "Essays in Finance," Vol. II., p. 467	550,000,000
Mr. Mulhall, "Dictionary of Statistics," p. 246	447,000,000
Mr. J. S. Jeans, "Statistical Society's Journal," Vol. XLVII., p. 631.....	600,000,000
Prof. Leone Levi (as above) .....	521,000,000
Prof. A. Marshall (as above) .....	500,000,000*



P.—Total produce ... ..	£1,350,000,000
W.—Income of manual-labor class.....	500,000,000
Income of the legal proprietors of the three natural monopolies of land, capital, and ability	£850,000,000†

\* 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 ground rent. Much must, therefore, be deducted to obtain their real net remuneration.

† 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 little over 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. 78). The total cost of poor relief in 1888-9 was £10,131,998 (see references at p. 14).



## 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 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 407,169 in 1881. This represents a population of about 1,630,000, all of whom were living on incomes not derived from any specified occupation.

The landlords (or more than a field or a cottage each) number only 180,524, owning ten-elevenths of the total area (Mulhall, "Dictionary of Statistics," p. 266).

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. 109).

(b) *The Comparatively Poor.*

The manual-labor class number about 5,000,000 families.

Mr. Mulhall, "Dict. of Statistics," p. 246; families..... 4,629,000

Prof. Leone Levi, *Times*, 13th Jan., 1885; families... 5,600,000

Mr. Giffen, "Essays in Finance," Vol. II., p. 461; separate incomes..... 13,200,000

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).

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

† 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.

(a) *The Comparatively Rich.*

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.

"It appears . . . that one-half of the wealth of the United Kingdom is held by persons who leave at least £20,000 (personalty) at death" (Mulhall, "Dictionary of Statistics," pp. 278, 279, from Probate and Legacy Duty Returns).

The number of these is given by the Commissioners of Inland Revenue, as 1,129 in 1877: as property is ascertained to pass by death about every twenty years, this gives a class of about 25,000 persons.

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 1881, 222,000 families of the very rich, 604,000 families of the rich, 1,220,000 families of the middle and trading class: in all only about two million families above the manual-labor class of nearly five million families ("Dictionary of Statistics," p. 246).

It may, therefore, safely be concluded that the whole of the £850,000,000 annually is received by about 11,000,000 of the population, giving an average income of £305 per adult man: about two-fifths (£330,000,000; Mulhall, "Dictionary of Statistics," p. 246) is enjoyed by a small class of less than 1,000,000 persons, who have on an average £1,665 per adult man whether they contribute anything to the product or not.

(b) *The Comparatively Poor.*

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).

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 Society's Journal*, Vol. XLVII., p. 631, places the number at about . . . . . 14,000,000

Mr. Giffen, "Essays in Finance," Vol. II, p. 461 (separate incomes of manual labor class) . . . . . 13,200,000

Mr. Mulhall, "Dictionary of Statistics," p. 246 (separate families of manual-labor class) . . . . . 4,629,000

Prof. Leone Levi, *Times*, 13th Jan., 1885, number of workers in manual labor class in 1881 12,200,000

Out of 10,464,255 males with any occupation at all (see p. 4) 8,180,000 were in receipt of wages, and belonged to the manual-labor class (Prof. Leone Levi, *Times*, 13th January, 1885).

We may, therefore, certainly conclude that the £500,000,000 allotted to the manual-labor class is shared among 26,000,000 persons and is about £38 per adult (or £77 per adult male) annually.

£145 ; average annual product of the whole community, per adult male.

£305 ; average annual income of the comparatively rich (including non-workers), per adult male.

£77 ; average annual income of the masses per adult male.

£1,665 ; average annual income, per adult male, of the gentry, about 222,000 families.

#### X.—THE CLASS WAR.

Between the two classes there is perpetual strife. 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).

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" made the best possible use of the £38 per adult, which is their average income, 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 interests 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).

Fifteen 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.

#### 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" in London, some idea may be gained from the report of the Mansion House Relief Committee which gave the average daily number of them at 20,000 ("Report," 1888). 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 per 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 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 realise. Actual starvation is returned as the cause of death in but a few cases annually; but 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—4722).

In London one person in every five will die in the workhouse, hospital, or lunatic asylum. In 1888, out of 79,099 deaths in London, 41,505 being over 20, 10,170 were in workhouses, 7,113 in hospitals, and 380 in lunatic asylums, or altogether 17,663 in public institutions (Registrar-General's Report, 1889, C—5846, pp. 2, 72, and 94). Moreover, the percentage is increasing. In 1887 it was 20·7 of the total deaths; in 1888 it rose to 22·2. The increase was exclusively in the deaths in workhouses and workhouse infirmaries. 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 had 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). Considering that comparatively few of the inmates are children, 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 1888-9 the mean number of out-door paupers in the Metropolis was 50,350 (C—5813, p. 306), and the average death-rate in London was about 19·5 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.

Dr. Playfair says that 18 per cent. of the children of the upper class, 36 per cent. of those of the tradesman 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").

14,908 persons died by fatal accidents in 1888 (Registrar-General's Report, C—5846, pp. 108-9), 796 losing their lives in mines, 761 on railways, 234 in working machinery, 147 by explosions, 106 by lead poisoning, and 145 by falls from scaffolding (pp. 191-197). These are the 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 1889, shows that 431 railway servants were killed and 2,652

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

injured by accidents on the lines, being about 1 in 800 and 1 in 170 respectively, of the persons employed.

"At present the average age at death among the nobility, gentry, and professional classes in England and Wales was 55 years; but among the artizan 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 8 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 cause 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).

One great cause of the short and miserable lives of the poor is the insanitary condition of their 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.

We clog our public poor relief with irksome and degrading conditions, so that the honest poor often die lingering deaths rather than accept it; yet the paupers in actual receipt of public relief on one day number nearly a million.

England and Wales, 1st January, 1891	780,457	cost	£8,434,345
Scotland, 14th May, 1891 .....	86,835	„	£841,645
Ireland, 31st January, 1891 .....	110,276	„	£856,008

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977,568      £10,131,998

(Report of Local Government Board, England and Wales, C—6,460; Report of Board for Supervision of Poor, Scotland, C—6442; Report of Local Government Board, Ireland, C—6439).

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. Mr. Mulhall, "Dictionary of Statistics," p. 346, stated three, and Mr. Dudley Baxter's "National Income," p. 87, gave 3½.) This gives a pauper class during any one year of about 2,200,000 persons, or 1 in 12 of the manual-labor class. In some rural districts every aged laborer is a pauper.

The maintenance of these paupers costs £10,132,000 per annum. But in addition to this public expenditure, the various charitable societies spend £10,040,000 annually (Mr. Mulhall, "Dictionary of Statistics," p. 78), and the charity of individuals is known to be

enormous. The numbers of the destitute class must therefore be largely increased. Mr. R. Giffen talks of the class of five millions "whose existence is a stain on our civilisation" ("Essays in Finance," Vol. II., p. 350). It is the lot of at least one of 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. Frederic 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. 477, 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 recognised authorities in statistics, and is in entire harmony with the doctrines of Political Economy.

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