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FACTS
FOR
SOCIALISTS

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Fabian Tract No. 5.

FACTS FOR SOCIALISTS

SHOWING

THE DISTRIBUTION OF THE NATIONAL INCOME
AND ITS RESULTS.

PUBLISHED AND SOLD 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 estimates made at various times during the present century of the annual income of the United Kingdom have been as follows :—

Year.	Million £.	Authority.
1903	1,750	Sir R. Giffen, <i>The Wealth of the Empire</i> , Journal of the Royal Statistical Society, vol. lxvi, part iii.
1903	1,800	Professor A. L. Bowley, M.A. (Professor of Statistics, University of London), <i>Economic Journal</i> , September, 1904.
1907	1,945	Professor A. L. Bowley, <i>Economic Journal</i> , March, 1913, p. 54.
1907	2,038	<i>Report of the Census of Production</i> , Cd. 6,320, 1912, p. 33, between 1,918 and 2,158 £ million.
1909	1,844	Sir L. G. Chiozza Money, <i>Riches and Poverty</i> , 1912 edn., p. 47.
1911	2,090	Prof. A. L. Bowley, <i>The Division of the Product of Industry</i> , p. 14.
1912	2,250	<i>The Statist</i> , 27th April, 1912, including allowance for married women, house-keepers and others.

THE NATIONS INCOME.—*Contd.*

Year.	Million £	Authority.
1913	2,250	Sir J. C. Stamp, <i>Wealth and Taxable Capacity</i> , 1st edn., p. 68.
1914	2,300	The Chancellor of the Exchequer (Mr. Lloyd George) in his War Budget Speech, November, 1914.
1920	5,225	<i>The Economist</i> , 4th October, 1924, p. 520.
1920	3,610	Sir Leo Chiozza Money in evidence before the <i>Royal Commission on Income Tax</i> .
1921	3,900	Sir J. C. Stamp, <i>Wealth and Taxable Capacity</i> , 1st edn., p. 75.
1921	3,510	<i>The Economist</i> , 4th October, 1924, p. 520.
1922	3,140	Do. do. do.
1923	3,470	Do. do. do.
1923	3,300	Mr. E. Crammond, <i>The Bankers' Magazine</i> , December, 1924, p. 734.

By comparing the various estimates of the national income with the relative returns of imports and exports of the United Kingdom, the income during 1923 may be estimated as having amounted to 3,400 £ million, a figure which agrees very well with the two estimates for that year quoted above. A corresponding estimate for 1924 is 3,700 £ million.*

In order to appreciate more fully the change in the national income, the following table has been compiled, showing the amounts per head of the population, which the national income, if equally divided between all members of the nation, would permit. The statistics of population are those estimated by the Registrars-General of England and Wales, Scotland and Ireland for the 30th of June of each year (*Statistical Abstract for the United Kingdom, Cmd. 2207*).

* In computing these estimates, no allowance has been made for the fact that the Irish Free State has ceased to figure in the trade returns relating to the United Kingdom, as it is thought that the change has had no material effect upon the inference as a whole.

Year.	National income.	Population.	Per head of population.
	Million £	Thousands	£
1903	{ 1,750	42,246	41'4
	{ 1,800	42,246	42'6
1907	{ 1,945	43,737	44'5
	{ 2,038	43,737	46'6
1909	1,844	44,519	41'4
1911	2,090	45,324	46'1
1912	2,250	45,508	49'4
1913	2,250	45,713	49'2
1914	2,300	46,089	49'9
1920	{ 5,225	46,873	111'5
	{ 3,610	46,873	77'0
1921	{ 3,900	47,263	82'5
	{ 3,510	47,263	74'3
1922	3,140	47,506	66'1
1923	{ 3,470	47,747	72'7
	{ 3,300	47,747	69'1
1924	{ 3,400	47,747	71'2
	{ 3,700	48,068	77'0

In 1840 the national income averaged about £20.5 per head of the population; in 1860 about £26.2 (Mulhall, *Dictionary of Statistics*, p. 245).

These figures, which in many cases are computed from income tax returns and estimated average rates of wages, mean that the value in money of the commodities and services produced in the country during the whole course of 1923 was about £285 per adult man. Most of these commodities and services were used up within that period in maintaining the 47,766,000 inhabitants. Prior to the European war of 1914 not less than £320,000,000 to £350,000,000 was saved annually (*Census of Production*, Cd. 6,320, 1912, p. 33. Estimate for 1907.) The bulk of this "saving" consisted of new houses and of new railways, steamers, machinery, and other aids to future labour, partly for use in this country and partly for export overseas by way of investment. It has been calculated that £100,000,000 was invested abroad in this way in 1907 (*Census of Production*, p. 32).

Of the income due from these oversea investments, the Board of Trade has estimated that the following amounts have remained abroad available for further investment:—

1907 ... 138	£ million	1922 ... 154	£ million.
1910 ... 153	"	1923 ... 153	"
1913 ... 181	"	1924 ... 63	"
1920 ... 252	"	1925 ... 28	"

(*Board of Trade Journal*, 21st January, 1926, p. 70).

Total Income in 1923, £3,400,000,000.

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.

"No wealth whatever can be produced without labour." 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 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, instead of 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.)

"The drift of economic science during many generations has been with increasing force towards the belief that there is no real necessity, and therefore no moral justification, for extreme poverty side by side with great wealth." (*Principles of Economics*, by the late Professor Alfred Marshall, sometime Professor of Political Economy at Cambridge University. 8th Ed., 1922, pp. 713-714.)

"Few economists think with satisfaction of the degree to which the less urgent desires of the minority who have inherited wealth are now satisfied, before the more urgent desires of the majority who have not inherited it." (Professor Graham Wallas *The Great Society*, p. 312).

"It is certain that as a general rule approximations towards greater equality of income mean at the same time approximations towards distribution according to need, and should therefore be welcomed, whenever the advantage thus gained is not offset by an equal or greater loss resulting from damage to production." (Professor E. Cannan. *Economic Outlook*, p. 310).

"Put broadly, and in the language of common sense, the case against large inequalities of income is that the less urgent needs of the rich are satisfied, while the more urgent needs of the poor are left unsatisfied. The rich are more than amply fed, while the poor go hungry." (Professor H. Dalton, M.P. *The Inequality of Incomes*, p. 10).

III.—Who the Workers Are.

As regards England and Wales, those who profess to be taking part in the work of the community were divided, at the census of 1921, as follows:—

Occupation.	Males.	Females.	Total.
Industrial	8,760,393	2,377,770	11,138,163
Agricultural and fishing	1,200,106	83,218	1,283,324
Commercial	1,063,120	496,056	1,559,176
Domestic	339,944	1,676,425	2,016,369
Professional and public administration ...	749,155	431,863	1,181,018
Total occupied	12,112,718	5,065,332	17,178,050

(Compiled from *Census of England and Wales, 1921; Occupations.*)

Comparable figures for Scotland are as follows :—

Occupation.	Males.	Females.	Total.
Industrial	1,120,015	309,431	1,429,446
Agricultural and fishing	192,501	24,364	216,865
Commercial	116,460	83,111	199,571
Domestic	31,738	168,149	199,887
Professional and public administration ...	82,463	51,037	133,500
Total occupied	1,543,177	636,092	2,179,269

(Compiled from *Census of Scotland, 1921; Volume III., Occupations and Industries.*)

As the classification of occupations adopted for the census of 1921 differed in many respects from that adopted for the census of 1911, the summarised figures given above are not strictly comparable with those given in the previous edition of this tract. Also, in the latter case, the figures referred to the United Kingdom. No census was taken for Ireland in 1921.

The figures for England and Wales may be given in more detail, as follows :—

Occupation.	Males.	Females.	Total.
Persons engaged in personal service (including institutions, clubs, hotels, etc.)	339,944	1,676,425	2,016,369
Metal workers (notelectro-plate or precious metals)	1,540,235	109,074	1,649,309
Commercial, finance and insurance occupations (excluding clerks) ...	1,063,120	496,056	1,559,176
Persons employed in transport and communication	1,420,593	63,580	1,484,173
Agricultural occupations	1,171,298	83,052	1,254,350
Mining and quarrying occupations	1,061,749	3,364	1,065,113
Clerks and draughtsmen (not Civil Service or Local Authority); typists	568,034	429,695	997,729
Textile workers	371,964	608,964	980,928
Makers of textile goods and articles of dress...	288,673	548,013	836,686
Professional occupations (excluding clerical staff)	306,830	359,982	666,812
Workers in wood and furniture	496,805	26,590	523,395
Persons employed in public administration and defence (excluding professional men and typists)	442,325	71,881	514,206
Builders, bricklayers, stone and slate workers; contractors	503,535	1,743	505,278
Warehousemen, store-keepers and packers ...	222,269	128,710	350,979
Makers of foods, drinks and tobacco	193,482	100,594	294,076
Makers of and workers in paper; printers, book-binders, photographers, etc.	168,518	109,853	278,371
Painters and decorators (not pottery)	204,811	2,863	207,674

Continued on next page.

Occupation.	Males.	Females.	Total.
Electrical apparatus makers and fitters (not elsewhere enumerated) and electricians ...	143,795	20,404	164,199
Stationary engine drivers, dynamo and motor attendants	156,281	2	156,283
Makers of bricks, pottery and glass	92,144	42,041	134,185
Workers in mixed or undefined materials (not elsewhere enumerated)	100,763	25,131	125,894
Persons employed in entertainments and sports	67,305	27,981	95,286
Workers in skins and leather and makers of leather and leather substitute goods (not boots or shoes)	55,832	21,252	77,084
<i>(Contd.)</i>			
Workers in chemical processes; makers of paints, oils, etc.	59,254	15,729	74,983
Workers in other materials	32,867	24,013	56,880
Persons employed in gas, water and electricity undertakings (not elsewhere enumerated) ...	48,251	388	48,639
Workers in precious metals and electro-plate	29,439	15,234	44,673
Fishermen	28,808	166	28,974
Workers in the treatment of non - metalliferous mine and quarry products (excluding workers in gas works) ...	25,814	1,885	27,699
Makers of watches, clocks and scientific instruments	24,201	2,445	26,646
Other and undefined workers	883,779	48,222	932,001
Total Occupied	12,112,718	5,065,332	17,178,050

The following table shows the comparison between numbers of occupied and unoccupied persons aged 12 years and over, recorded by the census of 1921, for England and Wales :—

Classification.	Males.	Females.	Total.
Occupied—			
12 to 19	1,801,476	1,393,736	3,195,212
Over 20	10,311,242	3,671,596	13,982,838
Unoccupied—			
12 to 19	1,037,340	1,485,171	2,522,511
Over 20	751,050	(a)9,149,302	9,900,352
Total	13,901,108	15,699,805	29,600,913

(a) Most of these are married women engaged in unpaid domestic work, although not so described.

In England and Wales in 1911, 299,599 persons, comprising 248,624 males and 50,975 females were classified as being engaged in the Central Government of the country, an increase of 46 per cent. over 1901, or 42·3 for males and 69·5 for females. The Post Office workers, excluding artisans and labourers (125,698), formed nearly three-quarters of the total and nine-tenths of the females. In addition, the men and women engaged in the local government service numbered 588,951. The total number of national or local government employees in the United Kingdom probably amounted to a million.

Figures of public employees collected as a result of the 1921 census are not strictly comparable with those given in earlier census reports, owing to the fact that certain classes of workers have been included with similar classes employed industrially. However, the following statistics are available for England and Wales :—

Occupation.	Males.	Females.	Total.
Public administration, excluding professional men and typists—			
Civil service officials and clerks	117,580	55,389	172,969
Local authority officials and clerks	59,363	16,214	75,577
Police	60,608	278	60,886

Continued on next page.

Occupation.	Males.	Females.	Total.
Post office—			
Postmen and post office sorters... ..	60,957	3,036	63,993
Wireless operators (a)	2,331	43	2,374
Other telegraphic operators (a)	15,626	6,586	22,212
Telephone operators(a)	3,976	19,600	23,576
Defence—			
Navy	84,777	...	84,777
Army	101,980	...	101,980
Air Force	18,017	...	18,017

(a) Including those employed outside.

As these figures exclude professional men, artisans, labourers, messengers, porters, typists, charwomen, etc., it is obvious that national and local government employees now number considerably more than a million. In fact, the number of workers returned as being employed in Public Administration and Defence at the date of the Census, 1921, was 1,335,879.

Professional occupations, excluding clerical staff, accounted for 666,812 (306,830 males and 359,982 females) in England and Wales in 1921, the principal groups being as follows :—

Group.	Males.	Females.	Total.
Teachers—			
Not music	68,855	187,352	256,207
Music	4,919	16,450	21,369
Sick nurses, midwives, mental attendants, masseurs, etc.	16,862	118,086	134,948
Clergymen and others engaged in religious teaching and churches, societies, etc.	43,466	12,870	56,336
Physicians and surgeons	22,965	1,253	24,218
Barristers and solicitors	17,909	37	17,946

Of the 95,286 persons returned as employed in entertainments and sport, 3,308 were race-horse trainers, jockeys and training stable attendants, and 2,897 were bookmakers.

Among the professed workers there are, of course, many whose occupation is merely nominal. The number is inflated 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.

NUMBERS EMPLOYED IN EACH INDUSTRY.

The Census of 1921, in addition to ascertaining the occupation of each worker, asked for the industry in which each worker was employed. The following table gives the numbers employed in each of the principal industries in England and Wales in 1921:—

Industry.	Total Engaged in each Industry.
Fishing	40,246
Agriculture	1,123,962
Mining, quarrying, and treatment of products ...	1,283,728
Bricks, pottery, glass... ..	176,541
Chemicals, dyes, explosives	197,677
Metals, machines, implements, conveyances, jewellery, watches	2,196,014
Textiles and textile goods (not dress), cellulose ...	1,153,829
Preparation of skins and leather and manufacture of goods of leather and leather substitutes (not boots or shoes)	80,472
Clothing	805,678
Food, drink, tobacco	540,718
Wood working: cane and basketware, furniture fittings	261,856
Paper making, stationery, and stationery requisites, printing, bookbinding, photography ...	356,808
Building, decorating, stone and slate cutting and dressing and contracting	726,368
Other manufacturing industries	185,022
Gas, water, electricity	162,767
Transport and communication	1,203,566
Commerce and finance	2,275,148
Public administration and defence... ..	1,335,879
Professions	514,776
Entertainments and sport	122,004
Personal service (including hotels and catering) ...	2,046,825
All industries	17,178,050

The results of the census show that less than 50 % were engaged in "Production, Repair and Maintenance." (*Industry Tables, Census of England and Wales, 1921.*)

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" (Professor 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 labour 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).

In Great Britain during the year ended 31st March, 1923, 98,902 estates became liable to estate duty. Of this number, 10,972 were valued at more than £5,000 each, 946 at more than £50,000 each, and 363 at more than £100,000 each. Fifteen estates were valued at more than £1,000,000 each, while two were actually valued at more than £3,000,000 each. (*Inland Revenue Report, 1922-23, Cmd. 1934.*)

V.—Rent of Land and Houses.

The total profit from the ownership of lands, houses, tithes, etc., as assessed for income tax in 1921-22, was £296,691,397 (*Inland Revenue Report, 1922-23, Cmd. 1,934*); the annual value of rents of mines, quarries, ironworks, gasworks, waterworks, canals, fishings, shootings, markets, tolls, etc., which amounted to £50,820,485 in 1914-15 (*Inland Revenue Report, 1915-16, Cd. 8,425*), is no longer published. Many of these are notoriously far from being fully assessed. The total "rent" of immovables of the United Kingdom must therefore amount to at least **£380,000,000**, if allowance is made for lapse of time and increased rentals, or more than one-ninth of the total produce.* Of this amount, about £90,000,000 may be estimated as the annual rental value of the bare site, without buildings.†

Total Income, £3,400,000,000. Rent, £380,000,000.

VI.—Interest on Capital.

Interest is distinguished by economists from rent on the one hand, and "earnings of management," or other payment for services on the other; but a large part of the "rent" already dealt

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

† Sir L. G. Chiozza Money (*Daily Mail Year Book, 1913*), £90,000,000 for 1910-11. Sir Thomas Whittaker (*Ownership, Tenure and Taxation of Land, 1914, p. 95*), £91,500,000.

with may also be deemed interest on capital embodied in land in the form of houses, etc.

The Income Tax Returns disclose the fact that the following sums were received as income in 1914-15, which was not a return for contemporaneous work, viz. :—

From Public Companies	...	...	£389,104,639
„ Local Authorities	...	...	28,188,859
„ Coupons collected by Banks	...	...	50,810,607
„ Government Securities	...	...	53,990,329
			<hr/>
			£522,094,434

A small part of this goes to institutions, foreigners, etc., and another small part to the relatively poor (Cd. 8,425).

Information as to income received from the first three mentioned sources has not been published for later years, but it is possible to estimate those amounts for 1921-22 owing to the fact that they bear a more or less constant ratio to the aggregate gross income returned under Schedule D. In estimating the amounts, gross income returned for weekly wage earners has been excluded from the total gross income returned under Schedule D. Thus, the following amounts were probably received as income in 1921-22 under conditions similar to those indicated above :—

From Public Companies	...	...	860	£ million
„ Local Authorities	...	...	63	„
„ Coupons collected by Banks	...	...	109	„
„ Government Securities*	...	...	110	„
			<hr/>	
	say		1,140	„

Sir George Paish estimated “the net total of our investments in other lands” up to 1910 “at not much short of £3,500,000,000,” about half of it being in our Colonies and Dependencies, and the other half in the United States and other foreign countries. Only some 5 per cent. was invested in European countries. The income from this might, he thought, be taken at 5 per cent., or £175,000,000. (*Royal Statistical Society's Journal*, Jan. 1911).

The Board of Trade has estimated the net income from overseas investments in recent years as follows :—

1920	...	...	...	200	£ million
1922	...	...	...	175	„
1923	...	...	...	200	„
1924	...	...	...	220	„
1925	...	...	...	250	„

* As given in the Inland Revenue Returns. 1921-22.

The estimates for the last three years allow for payments to the United States on account of war debt. (*Board of Trade Journal*, 21st January, 1926, p. 70).

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. The total amount of **interest** received during the fiscal year 1921-22 could not therefore have been less than **£1,200,000,000**. It should be noted, however, that the Year, 1921-22, was one of exceptionally large profits.

In order that this amount may be compared with those already computed for total income and rent, an adjustment due to changing trade and prices is necessary. This adjustment will only concern to any considerable extent interest received from public companies, so instead of the 860 £ million calculated, 500 £ million might be allowed as a reasonable estimate.

Accordingly, the total amount of interest received during 1923 may be estimated as having amounted to at least **840 £ million**.

Adding hereto the rent mentioned in the preceding section, we have a total of **£1,220,000,000** for **rent** and **interest** together.

Total Income, £3,400,000,000. Rent, £380,000,000.

Interest, £840,000,000.

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 that income 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 favourable 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 services of high value to the community, and they are able to exact in return remuneration proportionate to the relative scarcity of the faculties 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 merchant's 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 labour 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 as **profits and salaries** for its work about **£820,000,000** annually.

THE INCOMES OF THE OWNERS AND MANAGERS.

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

Professor Leone Levi, <i>Times</i> , 13th January, 1885	£753,000,000
Prof. A. L. Bowley, <i>Statistical Society's Journal</i> , vol. lviii, part 2, p. 284 (1891)	912,000,000
Prof. A. L. Bowley, <i>The Division of the Product of Industry</i> , p. 14, 1911	1,192,000,000

Since these estimates were made the wealth of the country has grown greatly, and on the basis of the increase in gross assessments to income tax, we estimate that the total drawn by the upper, middle, and trading classes amounts at present to about **£2,040,000,000** yearly, or little less than two-thirds of the total produce.

Total Income, £3,400,000,000. Rent, £380,000,000.

Interest, £840,000,000. Profits and Salaries, £820,000,000.

VIII.—The Income of the Wage-earners.

That portion of the National Income, which is received as wages, has been estimated by the statisticians as follows :—

Sir R. Giffen, <i>Essays in Finance</i> (1886), vol. ii., p. 467	£550,000,000
Mr. J. S. Jeans, <i>Statistical Society's Journal</i> , vol. lvii, p. 631, for 1880	600,000,000
Prof. A. L. Bowley (as above), 1891	699,000,000
Sir R. Giffen (Evidence to Labour Commission, Question 6,909, etc.), 1893	633,000,000
Sir L. G. Chiozza Money, for 1908 (<i>Riches and Poverty</i> , 10th edn., p. 31)	703,000,000
Prof. A. L. Bowley (<i>The Division of the Product of Industry</i> , p. 14). 1911	782,000,000
Mr. Sidney Webb (as below) for 1912	741,000,000

The following table shows the estimated earnings of employed manual wage-earners in the United Kingdom in 1912 (including board and lodging, overtime, and all other emoluments). It was compiled by Mr. Sidney Webb, and published in *The New Statesman*, 10th May, 1913, (figures for women revised) :—

MEN.

Class.	Numbers.	Average earnings in full week, including emoluments.		Average Wages Bill for a full week.	Yearly Wages Bill.*
		s.	d.	Million £.	Million £.
Men in situations :					
Below 15s.	... 320,000 = 4%	13	0	0·21	10
15s. to 20s.	... 640,000 = 8%	18	0	0·58	27
20s. „ 25s.	... 1,600,000 = 20%	22	6	1·80	85
25s. „ 30s.	... 1,680,000 = 21%	27	6	2·31	109
30s. „ 35s.	... 1,680,000 = 21%	32	6	2·73	128
35s. „ 40s.	... 1,040,000 = 13%	37	6	1·95	92
40s. „ 45s.	... 560,000 = 7%	42	6	1·20	56·5
Over 45s.	... 480,000 = 6%	50	0	1·20	56·5
Men in situations	8,000,000 = 100%	30	0	12·00	564
Casuals ...	... 700,000	12	0	0·42	18·5
Adult males	... 8,700,000	28	4	12·42	582·5
Boys ...	... 1,900,000	10	0	0·95	44
All males	... 10,600,000	25	3	13·38	626·5

Average earnings per adult man $\frac{582\cdot5}{8\cdot7} = \text{£}66\cdot95$, or 25s. 9d. a week.

WOMEN.

Class.	Numbers.	Average earnings in a full week.		Average Wages Bill for a full week	Yearly Wages Bill (net as above).
		s.	d.	in £100,000	£
Women in situations :					
Below 12s.	... 1,000,000	9	0	450	21,150,000
12s. to 15s.	... 1,500,000	13	0	975	45,825,000
Over 15s.	... 500,000	17	0	425	19,975,000
Women in Situations ...					
tions ...	... 3,000,000	12	4	1,850	86,950,000
Casuals ...	... 100,000	3	6	17½	822,500
Adult women	... 3,100,000	11	7	1,867½	87,772,500
Girls ...	... 1,500,000	7	6	565	26,550,000
All females	... 4,600,000	10	7	2,432½	114,322,500

Average earnings per adult woman throughout the year

$$= \frac{87\cdot772}{3\cdot1} \text{£}28\cdot31, \text{ or } 10\text{s. } 10\frac{1}{2}\text{d. per week.}$$

Total Wages Bill £740,800,000

Allowing for the increase since these estimates were made, we may safely say that the manual labour class receives for all its millions of **workers** at most some **£1,360,000,000** per annum.

* Allowing five weeks for short time, sickness, involuntary holidays and unemployment.

Thus we are provided with the following summary of the distribution of the National Income during 1923 :—

Rent	...	...	...	...	...	£380,000,000
Interest	...	...	...	...	...	840,000,000
Profits and Salaries	...	...	...	...	...	820,000,000
Total (that is, the entire income of the upper, middle, trading, clerical and professional classes)						2,040,000,000
Income of manual labour class						1,360,000,000
Total Produce						£3,400,000,000*

IX.—The Two Nations.

But the division of the nation's income into its economic categories does not coincide with its actual distribution among social classes. Many owners of land and capital work for profits, salaries, or wages. Many manual workers enjoy small shares of rent and interest. In particular we have to notice the great development during the half-century prior to the recent European war of a class numbering about three or four million persons who did not belong to what is usually spoken of as the wage-earning class (artisans and labourers of all kinds), but whose annual earnings were below £160 per family group. The total income of that class (which included the great mass of teachers, clerks, minor officials, junior professionals, independent craftsmen, and small shopkeepers and dealers) was estimated at £232,000,000 (Chiozza Money, *Riches and Poverty*, 10th edition, p. 19) or £350,000,000 (Report of Committee of Economic Section, British Association, *Statistical Society's Journal*, December, 1910, p. 65), according as three or four millions were placed within that class. Prof. A. L. Bowley (*The Division of the Product of Industry*, p. 14) estimated their income at £264,000,000 and their number at 3,585,000 in 1911.

To obtain a comparable figure for 1923, it would appear reasonable to adopt a limit of £250 per family group, and thus we may assume the total income of the class mentioned above to have been £340,000,000.

Dividing the nation's income, not according to its economic categories, but according to how it is actually allotted, we get the following distribution for 1923 :

* It may be mentioned here that the total income of the charities of the United Kingdom in 1923 was £26,273,378, made up as follows :—

Ordinary income	...	...	...	...	£21,500,221
Legacies	...	...	...	...	2,460,754
Special donations, building funds, etc.	...	...	...	...	2,312,403
<i>(Burdett's Hospitals and Charities, 1925, page 8.)</i>					

The total cost of poor relief in 1921-22 for Great Britain was £46,048,017, or, including an estimate for Ireland, £50,000,000 for the whole of the United Kingdom. (*Statistical Abstract*, Cmd. 2207).

	Numbers.	Amount.
<i>Riches.</i> —Persons with incomes of £1,000 and upwards and their families... ..	1,600,000	£1,200,000,000
<i>Comfort.</i> —Persons with incomes between £250 and £1,000 and their families	4,800,000	500,000,000
<i>Poverty.</i> —Persons with incomes less than £250 and their families }	41,400,000	{ 1,360,000,000 340,000,000
	47,800,000	£3,400,000,000

(Adapted, the figures being brought down to date, from Chiozza Money, *Riches and Poverty*, 10th edn., p. 9.)

This unequal division of the fruits of the combined labour 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.

The division is not based on any essential differences between individuals in morality or industry.

"Since the human race has no means of enjoyable existence, or of existence at all, but what it derives from its own labour and abstinence, there would be no ground for complaint against society if everyone who was willing to undergo a fair share of this labour 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 labour and abstinence of the individual, is almost in an inverse ratio to it; those, who receive the least, labour 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 material for this computation:

(a) *The Comparatively Rich.*

It has been shown that the adult males without professed occupation numbered 751,050 in 1921. This represents a population of over 3,000,000, all of whom were living on incomes not derived from any specified occupation.

"Two-thirds of the entire accumulated 'wealth' of the United Kingdom is held by just under 400,000 people, and

Continued on next page.

(b) *The Comparatively Poor.*

M. G. Mulhall, *Dict. of Statistics*, 1910, p. 320; families 4,774,000
Sir L. G. Chiozza Money, *Riches and Poverty*, 11th edn., p. 47, estimates that the lower middle and working classes numbered in 1909 39,000,000

(a) *The Comparatively Rich.*
(cont.)

the top one-third by 36,000 people." (Sir J. C. Stamp, *Wealth and Taxable Capacity*, p. 102).

The landlords (of more than ten acres) number only 176,520, owning ten-elevenths of the total area (Mulhall, *Dictionary of Statistics*, 1910, p. 341).

Only thirteen out of every hundred persons dying leave behind them £300 worth of property (including furniture, etc.), and only eighteen per hundred leave any property worth mentioning at all.

The number of estates in Great Britain exceeding £10,000 in value in 1922-23 upon which Estate Duty was paid was 5,845, their capital value was £295,859,652. They include seven-tenths of the total net capital of the estates liable for duty (*Inland Revenue Report*, Cmd. 1934).

In 1922-23 the estates of 102 persons were proved for £84,105,773 or about one-fifth of the value of all estates. Of these, fifteen were more than £1,000,000, forty over £500,000. (Cmd. 1934).

More than one-third of the entire income of the United Kingdom is enjoyed by less than one-thirtieth of its people (Chiozza Money, *Riches and Poverty*, 1905, p. 48).

The payers of income tax (1,100,000), representing 5,500,000 people, take £909,000,000, nearly half the national income (L. G. Chiozza Money for 1908, *Riches and Poverty*, 1912, p. 44).

(b) *The Comparatively Poor.*
(cont.)

In 1923, it is estimated that this number had increased to over... 41,000,000

Eight hundred and seventy out of every 1,000 persons (about half of whom are adults) die without property worth speaking of. (Cmd. 1,934, 1922-23).

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

Sir R. Giffen,
Essays in Finance, vol. ii.,
p. 461 (1886)
(separate incomes of manual labour class) ... 13,200,000

Prof. A. L. Bowley,
Statistical Society's Journal, June, 1895,
manual labourers 13,000,000

Prof. A. L. Bowley,
The Division of the Product of Industry, p. 25,
estimated the number of wage earners during 1911 to have been 15,650,000

In 1908, of persons with incomes of less than £160, 39,000,000 out of 44,500,000 took £935,000,000, or a shade more than half the national income (Chiozza Money, *Riches*

An estimate for 1923 shows that those persons receiving an income of more than £250 per annum received just one-half of the total national income.

Sir Leo Chiozza Money estimates that 1,250,000 people take £600,000,000 a year, 3,750,000 people take £250,000,000 (*Daily Mail Year Book*, 1908).

Abounding Prosperity.—In addressing the Leeds Luncheon Club on May 11th, 1914, the Rt. Hon. Frederick Huth Jackson (Vice-President of the Institute of Bankers, and a Director of the Bank of England) said: "Let me ask you to compare our position now with what it was twenty years ago. The volume of our foreign trade has more than doubled, having risen from 681½ millions to 1,400 millions. Our banking deposits have just about doubled. In 1893 they were 433 millions, while they are now 867 millions. The amounts due to depositors in Post Office and Trustee Savings Banks have risen from 123 millions to 236 millions, again about double what they were. And the London Clearing House returns are even more impressive; they show an increase from £6,478,000,000 in 1893 to £16,436,000,000 in 1913."

In 1922, the clearances at the London Bankers' Clearing House had further increased to the huge total of 37,161 £ million.

and Poverty, 12th edn., 1912, p. 47).

In 1923, it is estimated that persons receiving incomes of less than £250 per annum, or 97 per cent. of the population, received only one-half of the total national income.

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 not more than £50. These returns include the police and other public servants, but do not take any account of agricultural and general labourers (*Annual Report of Labour Department, Board of Trade*, 1893-4, C. 7,565).

From the table given on a preceding page, it will be seen that, before the recent war, only six per cent. of manual working wage-earning men received over 45s. per week, and that the average earnings of all the adult men were only 25s. 9d. per week. The average earnings of all the adult women were only 10s. 10½d. per week.

ACCUMULATED WEALTH.

It is very difficult to arrive at even an approximate estimate of the total value of real and personal property stored in the hands of those who have been favoured by fortune. Sir Leo Chiozza Money, in his *Riches and Poverty* (p. 65), put the total figure at £13,762,000,000. He constructed the following table, entitled:

THE DIVISION OF PROPERTY—AN ARGUMENT FROM THE DEAD TO THE LIVING.

Classes of estate. (1)	<i>The Dead.</i>		<i>The Living.</i>		Average value of estates per head. (6)
	Annual average Estate Duty Records during the five years 1904-5 to 1908-9.		Figures of columns 2 and 3 multiplied by 30 upon the assumption that each dead property owner in column 2 corresponds to 30 living ones.		
	Persons. (2)	Property. (3)	Persons. (4)	Property. (5)	
	No.	£	No.	£	£
Less than £100 net ...	15,956	900,000	478,680	27,000,000	56
Less than £300 gross ...	18,917	3,600,000	567,510	108,000,000	190
£300 to £500 gross ...	9,288	3,700,000	278,640	111,000,000	398
£100 to £500 net ...	6,074	2,700,000	182,220	81,000,000	444
Estates not over £500 ...	50,235	10,900,000	1,507,050	327,000,000	216
£500 to £1,000 net ...	10,404	8,600,000	312,120	258,000,000	826
£1,000 to £10,000 net ...	16,910	62,100,000	507,000	1,863,000,000	3,672
£10,000 to £25,000 net ...	2,338	41,000,000	70,140	1,230,000,000	17,536
£25,000 to £50,000 net ...	910	35,100,000	27,300	1,053,000,000	38,571
£50,000 to £75,000 net ...	291	19,400,000	8,730	582,000,000	66,600
£75,000 to £100,000 net...	145	13,200,000	4,350	396,000,000	91,034
£100,000 to £150,000 net...	133	16,900,000	3,990	507,000,000	127,067
£150,000 to £250,000 net..	90	19,700,000	2,700	591,000,000	218,800
£250,000 to £500,000 net..	54	20,600,000	1,620	618,000,000	381,481
£500,000 to £1,000,000 net	19	13,600,000	570	408,000,000	715,789
Over £1,000,000 net ...	7	18,100,000	210	543,000,000	2,585,714
Estates over £500 ...	31,301	268,300,000	939,030	8,049,000,000	8,571
Total ...	81,536	279,200,000	2,446,080	8,376,000,000	3,424

In order to observe what changes have taken place in the distribution of real and personal property since Sir Leo Chiozza Money compiled the table given above, the following table has been prepared from information given in the *Inland Revenue Report, 1922-23*. Cmd. 1934. Unfortunately, the statistics contained in the latter report are not quite comparable with those published in pre-war reports, owing to a slight re-classification and the fact that current values are those on which estate duty was actually paid, whereas the values quoted above represent capital values reported to the Inland Revenue Department. Moreover, the following table refers to Great Britain only, while that above includes Ireland. Nevertheless, the comparison is probably not seriously affected by the change, and the results are not without interest.

THE DIVISION OF PROPERTY—AN ARGUMENT FROM THE DEAD TO THE LIVING.

Class of estate.	The Dead.		The Living.		Average value of estates per head.
	Annual average Estate Duty Records during the three years 1920-21 to 1922-23.		Figures of columns 2 and 3 multiplied by 30 upon the assumption that each dead property owner in column 2 corresponds to 30 living owners.		
	Persons. (2)	Property. (3)	Persons. (4)	Property. (5)		(6)
(1)	No.	Thousand £.	No.	Thousand £.	£
Less than £100 net ...	11,513	736	345,390	22,095	64
Less than £300 gross ...	24,438	4,744	733,140	142,320	194
£300 to £500 gross ...	14,192	5,583	425,760	167,482	393
£100 to £1,000 net ...	23,022	17,095	690,660	512,844	743
Estates not over £1,000 net	73,165	28,158	2,194,950	844,741	385
£1,000 to £5,000 net ...	22,636	60,430	679,080	1,812,904	2,669
£5,000 to £10,000 net ...	4,808	40,909	144,240	1,227,255	8,500
£10,000 to £25,000 net ...	3,385	62,639	101,550	1,879,167	18,500
£25,000 to £50,000 net ...	1,175	47,586	35,250	1,427,587	40,500
£50,000 to £100,000 net...	548	44,748	16,440	1,342,447	81,700
£100,000 to £150,000 net..	146	21,742	4,380	652,267	149,000
£150,000 to £250,000 net..	103	22,938	3,090	688,149	223,000
£250,000 to £500,000 net..	58	25,141	1,740	754,212	430,000
£500,000 to £1,000,000 net	20	16,256	600	487,687	810,000
Over £1,000,000 net ...	12	32,247	360	967,403	2,700,000
Estates over £1,000 net ..	32,891	374,636	986,730	11,239,078	11,390
Total	106,056	402,794	3,181,680	12,083,819	3,798

The Public Trustee now administers a large and increasing number of estates, the following comparison being instructive:—

	Estates.	Value.
Year ended 31st March, 1909 ...	444 ...	£3,517,840
Do. do. 1914 ...	5,930 ...	49,174,865
Do. do. 1924 ...	21,133 ...	216,858,552

The office of Public Trustee was not instituted until 1st October, 1907, and nearly half the estates administered in 1914 were under £2,000 in value (Cd. 7,343).

The average value of Ordinary Trusteeships accepted during the year ended 31st March, 1924, was £9,983; that of Executorships and Administratorships, excluding one estate of unusually large value, was £15,170. (*Sixteenth General Report of the Public Trustee, 1924.*)

STATISTICS OF INCOME AND INCOME TAX IN THE UNITED KINGDOM.

During the past few years there has been a rapid increase in the gross income reviewed by the Inland Revenue for income tax purposes. The figures are as follows:—

Year.	Gross Income Reviewed.	Income Taxed.	Net Produce of Tax.
	£	£	£
1900-01 ...	833,355,513	594,106,253	29,705,312
1901-02 ...	866,993,453	607,550,919	35,440,470
1902-03 ...	879,638,546	608,606,903	38,037,931
1903-04 ...	902,758,585	615,012,373	28,188,067
1904-05 ...	912,129,680	619,328,097	30,966,404
1905-06 ...	925,184,556	632,024,746	31,601,237
1906-07 ...	943,702,014	640,048,238	32,002,412
1907-08 ...	980,117,000	671,313,000	32,380,000
1908-09 ...	1,009,935,926	693,323,082	33,408,754
1909-10 ...	1,011,100,345	686,812,104	37,679,602
1910-11 ...	1,045,833,755	697,074,032	38,344,767
1911-12 ...	1,070,142,343	720,640,587	39,631,630
1912-13 ...	1,111,456,413	755,577,547	41,574,277
1913-14 ...	1,167,184,229	791,714,865	43,523,345
1914-15 ...	1,238,313,397	814,849,304	63,392,288
1915-16 ...	1,322,684,843	873,841,065	118,765,226
1916-17 ...	1,662,724,028	981,715,873	201,636,704
1917-18 ...	1,967,065,911	1,083,982,282	220,087,992
1918-19 ...	2,445,655,311	1,287,278,171	303,630,376
1919-20 ...	2,970,604,036	1,416,223,256	336,555,563
1920-21 ...	3,477,058,268	1,356,627,864	353,219,573
1921-22 ...	3,214,828,625	1,308,278,011	352,000,000(a)
1922-23 ...	2,900,000,000(a)	1,320,000,000(a)	314,374,524(b)

(a) Estimated. (b) Net receipt of tax for Great Britain and Northern Ireland.

The Chancellor of the Exchequer estimated the number of income tax payers to be 1,190,000 in 1913-14, as against 950,000 ten years previously, and the taxable income per income tax payer to be £780. During the fiscal year 1915-16 the exemption limit was lowered from £160 to £130, thus the number of individuals in the United Kingdom chargeable with tax had increased to 3,900,000 in 1919-20. In 1922-23 there were 2,515,000 individuals in Great Britain and Northern Ireland chargeable with tax, and their average taxable income was approximately £125. (*Inland Revenue Report*. Cmd. 1934).

In their annual report for 1914-15 the Commissioners, as far as possible, identify income derived from investments in countries overseas. This source of income is one that was growing steadily, as the following figures show:—

1907-08...	... £85,116,246	1911-12...	... £103,894,667
1908-09...	... 88,837,393	1912-13...	... 110,421,797
1909-10...	... 93,264,604	1913-14...	... 118,113,703
1910-11...	... 100,952,723	1914-15...	... 131,927,122

Since 1914-15 this information has not been published.

HIGH PRICES.

In order to appreciate the considerable changes which have occurred in the prices of food and other things since the beginning of the present century, we have compiled the following table from information given in the *Board of Trade Journal* and the *Labour Gazette*.

INDEX NUMBERS OF PRICES.

Year.	Wholesale prices, 1913=100	Retail prices ; July, 1914=100	
		All commodities.	Food only.
1896	76	73	73
1900	86	79	80
1906	93	81	81
1909	89	85	86
1910	93	86	87
1911	94	86	87
1912	99	90	91
1913	100	91	92
1914	101	100	100
1915	124	123	124
1916	160	146	160
1917	209	176	199
1918	230	203	215
1919	255	215	219
1920	307	249	256
1921	197	226	229
1922	159	183	175
1923	159	174	169
1924	166	175	170
1925	160	176	171

It is interesting to compare these official figures with a table prepared by the Co-operative Wholesale Society showing the cost of an average weekly family grocery order. This indicated that in a working class budget prices increased by over 20 per cent. between 1898 and 1910 (as contrasted with a 16 per cent. general rise over the same period), and shows that the wage-earning classes have been hit more heavily than other sections of the community.

All this means that, unless their wages have risen considerably, the workers are actually earning less now than they did in 1900, and still less than in 1895, as the following table, drawn up by Mr. G. S. Barnes, C.B., of the Labour Department of the Board of Trade, to show the purchasing power of the sovereign, proves :—

A sovereign was worth :—

Year.	s.	d.	Year.	s.	d.				
1895	20	0	1904	...	...	18	0
1896	20	0	1905	...	...	17	11
1897	19	3	1906	...	...	18	0
1898	18	6	1907	...	...	17	7
1899	19	4	1908	...	...	17	2
1900	18	5	1909	...	...	17	3
1901	18	4	1910	...	...	16	11
1902	18	3	1911	...	...	17	0
1903	17	11	1912	...	...	16	3

Since Mr. Barnes prepared this interesting analysis of the continued fall in the purchasing power of the sovereign, the depreciation has become accentuated. The following values, continuing Mr. Barnes' computation shown above, indicate how much further the real value of the sovereign has fallen :—

Year.		s.	d.	Year.		s.	d.
1914	...	14	7	1920	...	5	10
1915	...	11	10	1921	...	6	6
1916	...	10	0	1922	...	8	0
1917	...	8	4	1923	...	8	5
1918	...	7	2	1924	...	8	4
1919	...	6	9	1925	...	8	3

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 labour 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.

The force by which this conflict of interests is maintained, without the conscious contrivance of either party, is monopoly and competition, diverted, like other forces, from their legitimate social use. The legal disposers of the great natural and artificial 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 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 labourers) 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" (Professor J. E. Cairnes, *Some Leading Principles of Political Economy*, p. 348; 1874).

Fifty 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 labourers

coming to work upon their own land and capital in associations for co-operative production has become even smaller than ever.

Professor Sir W. J. Ashley, writing in 1914 of J. S. Mill's hopes for the future of co-operative production (self-governing workshops) as an alternative to capitalism, says :

"But these expectations have been grievously disappointed. Hundreds of experiments have been made, and there is a noble story to tell of persistence and self-denial in the scraping-together of capital; but undertakings for co-operative production in Mill's sense have without exception failed completely, either from the business or from the co-operative point of view" (*The Economic Organization of England*, 1914, p. 175).

Yet this, according to authorities so eminent, is the only hope for the labourer under the present arrangements of society.

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 standing army of the "unemployed," no reliable statistics could be obtained in pre-war years. From returns rendered to the Labour Department of the Board of Trade by Trade Unions, it appears that in the seven years, 1905-11, the mean percentage of members unemployed was 5.4 (*Abstract of Labour Statistics, Board of Trade*, Cd. 6,228). As a result of the formation of the Ministry of Labour and the extension of the scope of the Unemployment Insurance Act, more complete returns are now available. Since the conclusion of the war, the annual average percentage of trade union members unemployed has been as follows :—

1919	...	2.4 per cent.	|	1922	...	15.4 per cent.
1920	...	2.4 "	|	1923	...	11.5 "
1921	...	15.3 "	|	1924	...	8.1 "

These figures indicate to what enormous extent the worker has borne his share of the great depression. The average for 1913 was 2.1 per cent. The average number of persons in London, whose home is the "common lodging-house," is over 30,000.

As regards the four millions of persons in the metropolis in 1890, Mr. Charles Booth told us that 37,610, or 0.9 per cent., were in the lowest class (occasional labourers, loafers and semi-criminals); 316,834, or 7.5 per cent., in the next (casual labour, hand-to-mouth existence, *chronic want*); 938,293, or 22.3 per cent., formed "the poor" (including alike those whose earnings were small, because of irregularity of employment, and those whose work, though regular, was ill-paid). These classes, on or below the "poverty line" of *earnings not exceeding a guinea per week per family*, numbered 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 (*Life and Labour 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. In 1911 no less than 100 persons (44 in London) were reported as having died from starvation, and of these 11 were in receipt of Old Age Pensions (Cd. 6,980). Actual starvation is, however, 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.

In England and Wales in 1911, 106,642 deaths were registered as having taken place in poor law institutions, workhouses, infirmaries, schools, hospitals, and asylums, or 20·11 per cent. of the total deaths; the proportion during the ten years immediately preceding having averaged 17·88 per cent. Of these, 55,570 occurred in workhouses, 39,899 in hospitals, and 10,636 in lunatic asylums.

In London in 1911 four persons in every ten died in the workhouse, hospital, or lunatic asylum. Out of 68,505 deaths, 27,146 being under twenty years of age, 15,328 were in workhouses, 10,591 in hospitals, and 2,474 in lunatic asylums, or, altogether, 28,393 in public institutions (*Registrar-General's Report, 1912, Cd. 6,578*).

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 January, 1913, out of 275,292 inmates of workhouses, 70,087 were women, and 70,676 were children (Cd. 6,980). Among the men a very large number had been members of benefit societies, a former return revealing the fact that 25 per cent. of male inmates had in this way made an attempt to provide for a "rainy day." 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 labour class" must, of course, be still larger. And the number of persons who die while in receipt of outdoor relief is not included in this calculation.

Turning to the *Fifth Annual Report of the Ministry of Health, 1923-24, Cmd. 2218*, we find that a much larger proportion of the population is now in receipt of poor relief than was the case before the war. The annual average for the period 1910-14 was below 2 per cent. of the population; during the years of the war the percentage did not exceed 1·8. In the year under review, however, the proportion was never less than 3·19 per cent., an increase of more than 50 per cent. compared with pre-war years. The average weekly number of persons—excluding lunatics, casuals, and persons in receipt of domiciliary medical relief only, a total of approximately 117,000—in receipt of relief in England and Wales during the year 1923-24 was 1,285,848. In the previous year the average was 214,089 greater.

Of those persons insured under the Unemployment Insurance Acts, approximately 600,000, including dependants, were in receipt of domiciliary relief during 1923-24. It is estimated that this figure represented about 140,000 families. Thus, in this large number of cases, the amount received from unemployment insurance benefit was insufficient for the needs of the recipients.

In February, 1924, 225,275 persons were in receipt of institutional relief in England and Wales; in London in March, 1924, 52,677 persons were receiving such relief.

The total cost of out-relief in England and Wales during the year ended 31st March, 1924, was, according to returns supplied to the Ministry of Health, £14,664,802. This large figure included £7,202,970 which had to be paid in respect of persons "normally employed" and their dependants. Of the latter amount, £6,409,265 represented relief granted to persons insured under the Unemployment Insurance Acts.

It is estimated by the Ministry of Health that the total expenditure on Poor Law relief during the year 1923-24 was £38,000,000 as compared with £42,000,000 in the previous year.

The number of persons relieved in the 28 Metropolitan Unions of London rose to 255,818 on the 28th July, 1923. When one is reminded of the fact that London is commonly supposed to be the centre of the world's financial operations, one begins to wonder what is wrong with the world in which we live. At the end of March, 1924, 4·84 per cent. of the population of London was receiving relief; the comparable proportions for pre-war years and March, 1923, were 2·32 per cent. and 5·36 per cent. respectively.

12,317 persons died by fatal accidents in 1922 (*Registrar-General's Statistical Review for the Year, 1922*), 929 losing their lives in mines, quarries, etc.; 3,485 on railways and other vehicles; 192 in working machinery; 345 by poisoning and poisonous vapours; and 1,722 from burns other than those due to conflagration. These are figures for England and Wales alone, and thus would be much increased by including the accidents in Scotland and Ireland.

In a preliminary statement for 1924, the Mines Department announces that the number of separate fatal accidents at mines and quarries in Great Britain and the Isle of Man, which are subject to the supervision of that Department, was 1,218, resulting in 1,287 deaths. Of the deaths, 1,192 were at mines registered under the Coal Mines Act, 1911, and of this number 1,077 were underground.

The Ministry of Transport's *Returns of Accidents and Casualties* as reported by the several railway companies in Great Britain during the year 1922 show that 207 railway servants were killed, and 2,947 injured, by accidents caused by the movement of trains. Of these 5 were killed and 331 injured whilst coupling or uncoupling vehicles, and 34 men were killed and 1,292 injured in connection with other shunting operations. Accidents from causes other than the movement of trains, such as unloading goods, seem to be seriously on the increase. In 1921, 30 men were killed and 12,878 injured in this way; in 1922 the respective numbers were 33 and 13,021.

It is of interest to note from the official return mentioned above that although all accidents to persons other than those employed by the railway companies, however slight, are required to be notified, only those occurring to railway servants, which entail their absence from duty for at least one whole day, must be reported.

Many of the workers, by reason of their occupation, are peculiarly liable to accident, industrial disease and poisoning.

The *Annual Report of the Chief Inspector of Factories and Workshops*, 1913 (Cd. 7,491), refers to the difficulty of securing proper notification of accidents. One firm, employing over 4,000 work-people, reported only nine out of 73 notifiable accidents in six months; another two out of 65. Scouts are posted to give warning of inspectors' visits, yet prosecutions numbered 3,872. Liverpool reported 80 accidents where from 12 to 30 hours' continuous work had been performed.

The *Annual Report of the Chief Inspector of Factories and Workshops*, 1923 (Cmd. 2,165), states that there were 125,551 accidents, including 867 fatal, in 1923, an increase of 27,565 compared with 1922. In accounting for the increase, the following reasons are given among others (p. 9):—

(a) Unemployment in the family of the worker, with resultant reduced standard of living, so that the worker is not so fit physically or so alert mentally.

(b) Workers unable to find employment at their own trade taking up work with which they are unfamiliar.

(c) Anxiety on the part of elderly men to preserve their employment and full wages resulting in their concealing trivial injuries until compelled to lie off work by sepsis.

The number, of accidents and deaths reported to the Chief Inspector in recent years have been as follows:—

	All Accidents.	Deaths.		All Accidents.	Deaths.	
1914 ...	159,872 ...	1,287	|	1921 ...	92,565 ...	951
1919 ...	126,023 ...	1,385	|	1922 ...	97,986 ...	843
1920 ...	138,702 ...	1,404	|	1923 ...	125,551 ...	867

Figures for the last two years exclude those for Ireland.

CASES OF POISONING, INCLUDING ANTHRAX, IN FACTORIES AND WORKSHOPS.

	Cases.	Deaths.		Cases.	Deaths	
1905 ...	663	42	|	Average 1912-14	597	40
1906 ...	707	54	|	Do. 1915-17	592	69
1907 ...	653	40	|	1918 ...	265	30
1908 ...	727	40	|	1919 ...	279	38
1909 ...	625	42	|	1920 ...	476	38
1910 ...	573	48	|	1921 ...	318	32
1911 ...	755	49	|	1922 ...	374	35
1912 ...	656	50	|	1923 ...	510	36
1913 ...	625	34	|			

Figures for the last two years exclude those for Ireland.

Certain cases of poisoning are not reported under the Acts. In 1923 the number of these cases was 74, and included 24 deaths, making a total for that year of 584 cases and 60 deaths from poisoning.

"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, 1885, 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" (Professor Huxley, *Nineteenth Century*, February, 1888).

B. S. Rowntree estimated that the average income from all sources of the 11,560 working class families in York in 1899 was 32s. 8 $\frac{3}{4}$ d. per week, or £85 a year. And 1,465 families, comprising 7,230 persons, that is, 15.46 per cent. of the wage-earning class and 9.91 per cent. of the population of York, were living in "primary poverty," that is, on less than enough to provide the minimum of food, clothing, and shelter. (*Poverty*, pp. 83 & 111).

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 C. V. Poore).

In the *Forty-Second Annual Report of the Local Government Board*, 1912-13, Dr. Newsholme says: "It is a well-established fact that the circumstances of life in most urban communities are unfavourable to infants. At birth the urban excess is usually about 8 per cent., during the first three months 11.6 per cent., in the next three months 43 per cent., and in the second half of infancy 67 per cent. higher in the urban than in the rural counties." Stalybridge had the highest infantile death-rate, 189.0 per 1,000 births in 1907-10, and in the counties the towns with the highest infantile mortality are Lancashire, Cheshire, Staffordshire, Derbyshire, Glamorganshire, and Yorkshire (West Riding), while such important centres of industry as Rhondda, Merthyr Tydvil, Hull, Nottingham and Huddersfield earn an unenviable notoriety. The infantile mortality is, as might be expected, high among the poor and low among the well-to-do, the rates being 77 per 1,000 among the upper-middle classes, 133 among the wage-earners (77 among agricultural labourers), 148 among textile operatives, 160 among miners, and 152 in the unskilled labour class (Cd. 6,909).

Detailed statistics of infant mortality are not available for recent years, but the rate for the whole of England and Wales has shown a remarkable improvement since the report mentioned above was published. The following table, which shows the number of deaths of children under one year of age per 1,000 live births, illustrates the steady improvement which has taken place; an improvement which may be said to have been brought about as a result of socialist teachings.

INFANT MORALITY IN ENGLAND AND WALES.

Year.	Rate.	Year.	Rate.
1913	108	1919	89
1914	105	1920	80
1915	110	1921	83
1916	91	1922	77
1917	96	1923	69
1918	97	1924	75

Sir George Newman, the Chief Medical Officer of the Board of Education in the report for the Year 1924 entitled *The Health of the School Child*, remarks that

"There is general recognition of the broad fact, which is more fully recognised than formerly, that the physical and mental character of the child is often an expression not of medical conditions and influences so much as of the economic state." (See the Report published 1925 : p. 38.)

PAUPERISM.

We clog 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 nearly two millions :

England and

Wales, January 1st, 1923 1,537,900 cost £42,272,555 in 1922

Scotland, January 15th, 1923, 271,858 " 3,775,462 "

Ireland, January 3rd, 1920 ... 61,823 " 1,816,093 in 1919

1,872,000 £47,900,000

(Statistical Abstract for the United Kingdom, Cmd. 2,207.)

But this relief is not usually given permanently; to obtain the number of different individuals who receive relief during a year we must multiply the mean daily number by 2.15 (Royal Commission on

the Poor Law (Majority) Report, 8vo. edn., p. 32). The mean daily number of paupers in 1923 was approximately 2,037,000, and therefore the total number of individuals in receipt of relief was about 4,480,000, or 1 in 4 of the manual labour class.

But in addition to this public expenditure, the various charitable societies spent, in 1923, £23,586,316 on hospitals, orphanages, and similar charities (Burdett's *Hospitals and Charities*, 1925, p. 9), and the charity of individuals is known to be enormous. The numbers of the destitute class must therefore be largely increased. Sir R. Giffen spoke, in 1886, of the class of five millions "whose existence is a stain on our civilization" (*Essays in Finance*, vol. ii., p. 350).

"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 of 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, 1885).

STATISTICS OF OVERCROWDING IN ENGLAND AND WALES.

(Extracted from the Censuses of 1901, 1911 and 1921).

The number of one to four-roomed tenements containing more than two occupants per room, together with the relative number of occupants in England and Wales, at each of the three dates, was as follows:—

PARTICULARS.	TENEMENTS WITH				
	One room.	Two rooms.	Three Rooms.	Four rooms.	One to four rooms.
Number of tenements with more than two occupants per room:					
1901	66,669	147,527	102,556	75,662	392,414
1911	57,835	135,092	130,272	81,811	405,010
1921	83,146	156,199	149,266	81,703	470,314
Number of occupants of such tenements:					
1901	245,586	884,672	807,596	729,652	2,667,506
1911	211,770	804,071	1,023,925	792,716	2,832,482
1921	300,028	938,363	1,185,635	795,972	3,219,998
Percentage of total population in such tenements:					
1901	0.8	2.7	2.5	2.2	8.2
1911	0.6	2.2	2.8	2.2	7.8
1921	0.8	2.6	3.3	2.2	8.9

The total number of tenements, together with their occupants, recorded in England and Wales in each of the three years was as follows :

Year.	Tenements.	Population.	Average number of occupants per tenement.
1901	7,036,868	32,527,843	4.6
1911	8,005,290	36,070,492	4.5
1921	8,739,197	36,179,946	4.1

The rapid decline in the average number of occupants per tenement may be traced to the effects of the rapid growth in socialistic opinion during the decade 1911-1921.

Turning to London, where 16.1 per cent of its private family population was living in overcrowded conditions in 1921, and of which Kensington with its 16.7 per cent would appear be the type, and analysing the returns more fully, one finds that the nine most overcrowded metropolitan boroughs were as follows :—

Metropolitan Borough.	1901 (a)	1911	1921
Finsbury	53.2	39.8	34.0
Shoreditch	30.0	36.6	32.0
Stepney	33.2	34.9	29.0
Bethnal Green... ..	29.6	33.2	27.8
Southwark	22.4	25.8	23.5
Bermondsey	19.7	23.4	23.2
St. Pancras	24.0	25.5	22.4
Poplar	16.4	20.6	21.2
Holborn	25.0	25.6	19.8

(a) In tenements of less than 5 rooms only.

Compared with the return for 1911, conditions in 1921 would seem to have improved to a great extent, no doubt due to the fact that these boroughs are now represented to a considerable extent by adherents to the socialist cause.

The five great towns, in which the percentage of overcrowded persons (that is, more than two persons per room) was the highest recorded in 1921, were as follows :—

TOWN.	1901	1911	1921
Gateshead	34.5	33.7	37.0
South Shields	32.4	32.9	36.5
Tynemouth	30.7	30.8	34.4
Sunderland	30.1	32.7	33.8
Newcastle-on-Tyne	30.5	31.7	33.6

The foregoing table does not, of course, complete the picture with regard to Durham and Northumberland, because, if one looks at the comparable figures for the municipal boroughs and urban districts of those two counties, one is disgusted to find that the majority of the municipal boroughs and urban districts return percentages of over 30, while many of them actually return proportions of greater than 40 per cent.

The administrative counties with more than 10 per cent. of population living in overcrowded conditions in 1921 were as follows :

COUNTY.	1901	1911	1921
Northumberland	32.1	30.0	30.8
Durham	28.5	29.2	29.5
London	16.0	17.8	16.1
Yorkshire (West Riding) ...	10.3	10.1	11.5
Stafford	7.4	8.4	11.1
Cumberland	8.5	9.7	10.6
Denbigh	7.9	10.4	10.1

Thus the worst overcrowded areas outside London would appear to be confined to the counties containing the more important coal-fields.

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 labour 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).

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 Modern Economics.

XIII.—Some Steps already taken towards Socialism.

The transfer 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 must be supplemented by a thoroughly organised exercise by all local authorities, from Parish to County Councils, of the powers they already possess, as well as by the acquisition of new and further reaching powers. The supply of water, milk, gas, and electric light, the establishment of

markets, slaughter-houses, tramways, steamboats, baths, wash-houses, cemeteries, harbours, libraries, bands, art galleries, museums, open spaces, gymnasia, allotments, the building of workmen's dwellings are being carried on almost everywhere 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.

MUNICIPAL TRADING.

TRAMWAYS: Particulars of 170 tramway undertakings in Great Britain owned by local authorities during the year 1923-24 are as follows:—

Capital expenditure	...	...	£71,341,947
Gross receipts	...	...	£23,823,170
Working expenses	...	...	£18,554,128
Net receipts	...	...	£5,269,042
Passengers carried	number		3,783,562,310
Car miles run	...	...	298,542,973

ELECTRICITY: Of the 560 authorised undertakers in Great Britain on 31st March, 1924, 335 were local authorities. Loans sanctioned during the year 1923-24 to local authority undertakers were as follows:—

County of London	...	...	£813,433
Rest of England and Wales	...	...	£8,600,957
Scotland	...	...	£362,203
Great Britain	...	...	£9,776,593

WATER SUPPLY: No annual official return is published relating to water undertakings in the United Kingdom, but a Local Government Board return published in 1915 showed that, of the 2,100 water authorities enumerated, 786 were local authorities and 17 consisted of joint boards and joint committees. Of the 786 local authorities with separate undertaking, 51 were county borough councils, 298 were urban and 286 were rural district councils.

AUTHORISED GAS UNDERTAKINGS: In 1924, there were 784 authorised undertakings supplying gas in Great Britain, the quantity of gas sold amounting to 256,891,922 thousand cubic feet. Information regarding the number of local authorities included in the figure was as follows:—

	England.	Scotland.
No. of local authorities supplying gas	245	69
Quantity of gas made in thousand cubic feet	76,611,322	21,569,889
Quantity of gas sold in thousand cubic feet	72,749,444	19,547,181
No. of consumers	2,408,042	773,524
Length of gas mains in miles ...	13,826½	3,305¼

TAXATION AS A REMEDY.

The transfer of rent and interest, so far as the means of extracting them are left in individual ownership, from private pockets to public purposes will be mainly brought about by means of progressive increases in direct taxation in the shape of graduated death duties, graduated income tax, super tax, and the rating of land values. The budgets of the last twenty years, taken as a whole, have not only cleared the way for the application of Socialist principles to taxation, but have brought a largely increased revenue into the national exchequer. An estate duty, varying from 1 per cent. on estates of £500 to 40 per cent., on those over £2,000,000, in addition to legacy duties, varying according to the relationship of legatees from 1 per cent. to 10 per cent. now recovers for public use over sixty million pounds a year. During the year 1912-13 the revenue from the death duties was £25,406,369. In the the period 1894-5 to 1912-13 no less than £347,959,370 was collected from death duties, an average of £19,331,087 a year, as against £9,979,691 in 1893-4 (Cd. 7,022). During the year ended 31st March, 1923, the net revenue from this source was £56,494,667, but this latter figure excludes the amount collected in Ireland (Cmd. 1934). Thus the receipt of death duties has more than doubled since the years before the war and the 1925 Budget added a further ten million pounds. From Income Tax and Super Tax more than 300 million pounds a year is collected.

The extension of these means by the Socialist Chancellors of the Exchequer of the future will whilst dealing lightly with modest accumulations for family provision, so far to extinguish any class permanently existing on unearned incomes and, so far as taxation can do it, bring about the emancipation of the people from private monopoly.

XIV.—The Organised Forces of Socialism, Trade Unionism and Co-operation.

The strength of Socialism at home and abroad is fairly accurately represented in the following table, In most cases the figures have been stated with as close an approximation to accuracy as is possible; in other cases estimates have been made on a conservative basis.

Country.	Socialist-Labour Vote.	No. of M.P.'s. †	Trade Unionists.	Co-operators.
Australia ...	620,000 (1922)	29 (76)	750,000 (1923)	110,979 (1922)
Austria ...	1,311,870 (1923)	68 (165)	1,049,949 (1922)	408,222 (1923)
Belgium ...	672,474 (1921)	68 (187)	618,871 (1923)	169,086 (1922)
Canada ...	84,000 (1921)	2 (234)	2,121,842 (1923)	42,300 (1922)
Czecho-Slovakia...	2,301,171 (1923)	82 (294)	979,365 (1922)	808,546 (1923)
Denmark...	469,949 (1923)	55 (149)	233,116 (1923)	337,700 (1923)
Finland ...	254,672 (1922)	60 (200)	49,000 (1922)	354,835 (1922)
France ...	3,898,357 (1924)	102 (610)	C.G.T.U. 350,000 C.G.T. 757,847 (1922)	2,329,869 (1922)
Germany...	7,880,058 (1924)	131 (493)	7,187,251* (1923)	3,367,286 (1923)
Holland ...	567,772 (1920)	20 (100)	449,336 (1923)	126,725 (1923)
Hungary...	272,359 (1922)	24 (245)	202,956 (1922)	840,000 (1923)
Irish Free State...	142,388 (1923)	15 (153)	183,000 (1923)	?
Italy ...	801,061 (1924)	Unitarians 25 Nationalists 22 (535)	212,016 (1923)	Fascist 348,270 (1923) National 500,000 (approx.) ?
New Zealand ...	319,045 (1922)	17 (80)	23,653 (1923)	?
Norway ...	87,000 (1922) (app.)	8 (150)	87,189 (1923)	96,401 (1923)
Poland ...	911,067 (1922)	41 (444)	1,250,000 (1922)	1,500,000 (approx.1923)
Russia ...	?	?	4,828,500 (1923)	6,265,400 (1923)
South Africa ...	41,836 (1924)	18 (135)	50,000 (1922)	?
Sweden ...	727,507 (1924)	104 (230)	313,022 (1923)	274,269 (1923)
Switzerland ...	155,000 (1922)	43 (198)	155,000 (1923)	357,208 (1923)
U.K. ...	5,551,549 (1924)	151 (615)	4,326,235 (1924)	4,569,256 (1923)
U.S.A. ...	4,500,000 (1922) (app.)	2 (531)	2,926,468 (1923)	775,000 (1920)

* Membership affiliated to International Federation of Trade Unions.

† The figure in brackets is the total number of members of Parliament in the various countries named.

THE CO-OPERATIVE MOVEMENT.

The Co-operative Movement employs nearly 200,000 workers, has a membership of 4,600,000, and a share and loan capital of £125,000,000. Their sales reached £250,000,000 per annum. The fact that the Co-operative Movement was built up and is controlled by the workers themselves gives the lie to those who assume that there is a monopoly of brains in any section of the community.

TRADE UNIONISM IN GT. BRITAIN.

The growth of trade unionism in the United Kingdom is shown by the following tables. The figures of membership include members in overseas branches and in Irish Free State branches of such Unions, but wholly exclude Unions having their head offices in the Irish Free State area :—

Year.	Number of Trade Unions at end of Year.	Membership † at end of Year.			Percentage Inc. (+) or Dec. (-) on Total Membership of previous Year.
		Males.	Females.	Total.	
		Thousands.	Thousands.	Thousands.	Per cent.
1893...	1,279	*	*	1,559	— 1'1
1903...	1,285	1,838	156	1,994	— 1'0
1913...	1,267	3,703	433	4,136	+ 21'0
1914...	1,258	3,709	437	4,146	+ 0'2
1915...	1,227	3,868	491	4,359	+ 5'1
1916...	1,222	4,019	625	4,644	+ 6'5
1917...	1,236	4,622	877	5,499	+ 18'4
1918...	1,258	5,326	1,209	6,535	+ 18'8
1919...	1,350	6,603	1,325	7,928	+ 21'3
1920...	1,346	6,996	1,340	8,336	+ 5'1
1921...	1,231	5,622	1,003	6,625	— 20'5
1922...	1,176	4,742	868	5,610	— 15'3
1923...	1,135	4,590	815	5,405	— 3'7

Thus, in 1920, trade union membership had grown to be $5\frac{1}{2}$ times that recorded in 1893. In 1923, which followed on the great post-war depression, the membership was still $3\frac{1}{2}$ times as great as that of 1893.

TRADES COUNCILS.

The following table shows the growth and geographical distribution of these Councils in 1913, 1922 and 1923 :—

* Details of male and female membership are not available for years prior to 1896.
 † The figures for 1923 are provisional and may be subject to slight revision when further information is available. The subdivision of the total membership into male and female is not exact, as estimates have been made for some Trade Unions which are unable to state precisely the numbers of males and females comprised within their membership.

District.	Number of Trades Councils.			Total Trade Union Membership represented for industrial purposes by payment of fees. (ooo's omitted).		
	1913	1922	1923	1913	1922	1923
Northern Counties and Cleveland	14	22	23	60	103	100
Yorkshire, excluding Cleveland	35	41	38	152	251	223
Lancashire, Cheshire and Isle of Man ...	58	71	69	403	526	489
N. & W. Midland Counties	53	74	72	266	470	433
S. Midland & E. Counties	39	79	74	74	186	187
London	17	22	22	103	240	230
South-Eastern Counties	26	56	54	46	107	84
South-Western Counties	14	31	29	21	73	70
Wales & Monmouthshire	36	60	57	126	185	179
Scotland	35	46	42	230	299	287
Northern Ireland ...	1	2	2	14	23	27
Total for Great Britain and Northern Ireland	328	504	482	1,495	2,463	2,309

EXPENDITURE OF REGISTERED TRADE UNIONS IN GREAT BRITAIN.
(Statistical Summary, 1912-1923, Chief Registrar of Friendly Societies.)
 (Thousand £.)

Head of Expenditure.	1921	1922	1923
Unemployment, travelling and emigration benefit	15,150	8,359	3,733
Dispute benefit	3,427	1,428	721
Sick and accident benefit	980	910	783
Funeral benefit	323	318	286
Other benefits, including superannuation and grants to members	861	817	934
Political fund	160	268	238
Grants to federations and other societies, etc.	721	494	403
Management and other expenses ...	4,504	3,857	3,308
Total expenditure	26,126	16,451	10,406

FUNDS OF REGISTERED TRADE UNIONS IN GREAT BRITAIN.
(Statistical Summary, 1912-1923, Chief Registrar of Friendly Societies.)

(Thousand £.)

Date.	1921	1922	1923
At beginning of year	15,869	11,021	9,907
At end of year	10,950	10,008	10,889

The membership of registered trade unions represented at the end of 1923 about 82 per cent. of the membership of all trade unions in Great Britain and Northern Ireland.

The Labour Party.

The Labour Party, established in 1900, is now the leading political party pledged to reforms on the lines indicated in the foregoing pages. It is represented in Parliament by 153 members forming the official Opposition Party, and at the General Election of October, 1924, its 514 official candidates polled no less than 5,487,620 votes out of a total of just over sixteen million votes cast in the election. The Labour Party includes in its Affiliated Societies many of the Trade Unions enumerated above, the figures being for 1924: 108 Trade Unions with 3,158,000 members so affiliated. Besides these Trade Unions there are seven Socialist Societies affiliated, of which the three principal ones are as follows:—

1. THE FABIAN SOCIETY, Established 1884. 1,900 members.
2. THE INDEPENDENT LABOUR PARTY. Established 1894. 30,000 members.
3. THE SOCIAL DEMOCRATIC FEDERATION. Established 1884. 2,000 members.
(Originally formed in 1881 as the Democratic Federation.)

The other four are small local or specialised bodies with a total membership of about 2,000 among them.

SOCIALIST CRITICISMS OF TO-DAY.

"The first principle is that industry should be subordinated to the community in such a way as to render the best service technically possible, that those who render that service should be honourably paid, and that those who render no service should not be paid at all, because it is of the essence of a function that it should find its meaning in the satisfaction, not of itself, but of the end which it serves."—(R. H. Tawney. *The Acquisitive Society*, p. 7.)

"I feel that the time will come when people will find it difficult to believe that a rich community such as ours, having such command over external Nature, could have submitted to live such a mean, shabby, dirty life as we do."—(William Morris. "How we live and how we might live;" in *Signs of Change*, p. 29.)

"I believe that any society which desires to found itself on a high standard of integrity of character in its units, should organise itself in such a fashion as to make it possible for all men and all women to maintain themselves in reasonable comfort by their industry without selling their affections and their convictions."—(Bernard Shaw. *Plays Pleasant and Unpleasant*. Vol. I, *Unpleasant*, p.xxv.)

THE FABIAN SOCIETY

25 TOTHILL STREET, WESTMINSTER, LONDON, S.W.1.

Those willing to join the Labour Party, or desirous of obtaining information about its Programme and Principles, are invited to communicate with the Secretary of the Fabian Society.

The Fabian Society has been, from the outset, a constituent body of the Labour Party; and membership of the Society carries with it full membership of the Labour Party; eligibility for nomination to all Conferences and Offices, and qualification for Labour Party candidatures for Parliament and Local Authorities, without obligation to belong to any other organisation.

The Society welcomes as members any persons, men or women, wherever resident, who subscribe to its Basis (set forth below), and who will co-operate in its work according to their opportunities.

BASIS OF THE FABIAN SOCIETY.

(TO BE SIGNED BY ALL MEMBERS.)

(Adopted May 23rd, 1919.)

The Fabian Society consists of Socialists.

It therefore aims at the reorganization of Society by the emancipation of Land and Industrial Capital from individual ownership, and the vesting of them in the community for the general benefit. In this way only can the natural and acquired advantages of the country be equitably shared by the whole people.

The Society accordingly works for the extinction of private property in land, with equitable consideration of established expectations, and due provision as to the tenure of the home and the homestead; for the transfer to the community, by constitutional methods, of all such industries as can be conducted socially; and for the establishment, as the governing consideration in the regulation of production, distribution and service, of the common good instead of private profit.

The Society is a constituent of the Labour Party and of the International Socialist Congress; but it takes part freely in all constitutional movements, social, economic and political, which can be guided towards its own objects. Its direct business is (a) the propaganda of Socialism in its application to current problems; (b) investigation and discovery in social, industrial, political and economic relations; (c) the working out of Socialist principles in legislation and administrative reconstruction; (d) the publication of the results of its investigations and their practical lessons.

The Society, believing in equal citizenship of men and women in the fullest sense, is open to persons irrespective of sex, race or creed, who commit themselves to its aims and purposes as stated above, and undertake to promote its work.

The Society includes:—

- I. Members, who must sign the Basis and be elected by the Committee. Their Subscriptions are not fixed; each is expected to subscribe annually according to his means. They control the Society through the Executive Committee (elected annually by ballot through a postal vote), and at its annual and other business meetings.
- II. Associates, who sign a form expressing only general sympathy with the objects of the Society and pay not less than 10s. a year. They can attend all except the exclusively members' meetings, but have no control over the Society and its policy.
- III. Subscribers, who must pay at least 5s. a year, and who can attend the Society's Ordinary Lectures.

The monthly paper, *Fabian News*, and the Tracts from time to time published in the well-known Fabian Series, are posted to all these classes. There are convenient Common Rooms, where light refreshments can be obtained, with an extensive library for the free use of members only.

Among the Society's activities (in which it places its services unreservedly at the disposal of the Labour Party and the Local Labour Parties all over the country, the Trade Unions and Trades Councils, and all other Labour and Socialist organisations), may be mentioned:

- (i.) Free lectures by its members and officers;
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- (iv.) Special subscription courses of lectures on new developments in thought;
- (v.) Economic and social investigation and research, and publication of the results.

Lists of Publications, Annual Report, Form of Application as Member or Associate, and any other information can be obtained on application personally or by letter to the Secretary at the above address.

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