

haps among a small minority that may prove irreclaimable. And it is the object of this work to show how, if man but wills it, poverty may be removed by promoting all the aids, and sweeping away all the impediments, to the creation and distribution of wealth.

CHAPTER XX.

"Gluts" of Commodities and Labour—National Antipathies.—
Tendencies towards Confederation.

4. *Gluts, whether of commodities or of labour.* And first, with respect to commodities. A "glut of commodities" is an over-supply of one or more commodities, as compared with the demand for them. It is corrected or remedied by a diminution or temporary cessation of its (or their) production until the superfluous quantity has found a vent, and until the demand and supply have re-adjusted themselves. As to a general glut of all commodities, that, as we have shown elsewhere, is totally impossible. As long as industry is employed on the production of every desirable object in the same proportion as this desirability creates a demand for it, there can be no "glut," and the more rapidly universal production progresses in the proper relative quantities, the greater will be, without hitch or exception, the addition to the world's wealth. Each article produced would find its

counter-value in some other, and all would be absorbed by mutual interchanges.

Many causes, however, tend to disturb the natural equilibrium of supply and demand. Over-supply does not so often arise from the too rapid production of some articles, as it does from the diminished production of others. Indeed, it is by the short supply of some articles while the supply of the rest remains unaltered, that the relative or exchangeable values of various commodities are most frequently and most violently disturbed. Those industries in which capital and labour produce normal and steady results are affected by the variable results of those which are fitful and fluctuating. Over-supply is speedily ascertained and soon checked; but under-supply, while often traceable to human agency, is not infrequently the effect of influences beyond human control. Deficient harvests, whether of cereals or of other products of the soil, are powerful disturbing causes, and are mainly due to climatic causes. Shortness of supply in this large class of commodities is equivalent to, and produces the same effect as, an overplus or "glut" in other classes of commodities, of which the production had not varied in quantity. Five successive bad harvests in Western Europe (from 1877 to 1881) largely diminished the purchasing power of the agricultural classes, so that the commodities of which they were habitual consumers were found to be in over-supply, although there had been no over-production, and there ensued a wide-spread depression in trade.

To the same category of more or less unpre-

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ventible disturbing causes that includes bad harvests, belong other natural visitations, such as cattle plague, potato disease, phylloxera, silkworm distemper, &c., as also earthquakes, volcanic eruptions, typhoons, inundations, &c. All these affect the quantitative relation of commodities to each other, by making some deficient, and creating a relative redundancy in others. Thus there exists a liability to "gluts" from causes which man can neither foresee nor counteract, and all that we can attempt is some mitigation of the evil when it does occur.

But "gluts" are also occasioned by human agency—by scientific discoveries which turn the stream of demand into fresh channels, leaving the old ones dry; by changes of fashion which take the demand off from old articles to throw it on to new; by improved forms of machinery which comparatively lessen the producing power of the old processes; by speculative excitement which stimulates the excessive production of some articles as compared with the rest; and, above all, by the artificial division of the globe's surface into a number of areas commercially isolated from each other, so that not only "gluts" are rendered more frequent, but their dispersion is rendered more tedious and expensive. With perfect freedom of commerce, in case of an over-supply of some commodities in some countries and of other commodities in other countries, the balance would soon and easily be redressed by the interchange of the respective superfluous productions. The whole world would be open to facilitate and equalise their distribution. Innumerable markets would present themselves to receive the com-

modities over-produced, or to fill up the vacuum of under-supply. The inequalities between supply and demand would be far less perceptible when spread over so vast an area; just as the under-supply or over-supply of rain that make the mountain stream either a dry ravine or a devastating torrent, produce but little effect on a broad lake.

As regards the "glut" of labour, it is the invariable result of a "glut" of commodities, and is therefore, to that extent, due to the same causes. For an over-supply, whether it be positive or comparative, of some kinds of commodities necessitates the temporary cessation or diminution of their production, and in the same proportion is the demand for labour lessened.

But the normal demand for labour in relation to its supply depends upon more general and permanent agencies. As we have before shown, the three inseparable and indispensable factors in the production of wealth are land, labour, and capital. No one or two of these are of any avail without the third. Of land there is for the present no general dearth in one zone or another, but the relative proportions of labour and capital differ very much at different times and in different places. It may be laid down as a general law that when the reproductive capital of a country increases faster than its population, the demand for labour will be greater than its supply, and the rate of wages will be high. Where the reverse conditions exist, there will be a "glut" of labour, and wages will be low. Capital is the labour-sellers' chief

customer, and the wealthier the customer the better for the seller. Every obstacle which impedes the progress of wealth-creation, depresses the value of labour and is the labour-sellers' bitterest foe. Just as capital is useless without labour, and is therefore dependent on it, so is labour useless without capital, and their interdependence is mutual.

Another important factor in the question of redundancy or scarcity of labour is the power of migration. The redundancy is relieved by emigration, while immigration remedies the scarcity. But both processes, fraught as they are with advantages, are attended with some evil and dangers. Expatriation is a painful cure—a cruel wrench to early associations and to the ties of kindred. Far better, where possible, to bring capital up to the level of the population than having to cut down population to the level of capital. Nor does the emigrant always better his condition. The task before him is still a laborious one. To succeed in his new career, he must possess all the qualities that entitled him to success in his native land. The chief advantage he has gained is the opportunity of exercising them.

On the other hand, immigration does not always supply the right quantity, or the right kind, of labour to the country into which it flows. There may be, and sometimes is, a glut of immigrants. Wherever there is a large or sudden influx of fresh hands exceeding the labour-absorbing power of the capital employed, the effect, for a time, is disastrous. The land is there and the labour is there, but if the capital be deficient, the land must remain

untilled, and the labour must seek other fields for employment. There are numerous instances of new colonies or settlements which have failed, and ended in disaster, through the lack of that "staying power" which adequate capital can alone confer.

To sum up, those "gluts" or disturbances in the relative supply and demand of commodities, which arise from natural and unpreventable fluctuations in the amount of produce raised from the soil, or from changes in men's tastes or habits, or from the invention of improved methods of production, are unavoidable; but their injurious effects can be minimised by the adoption of a world-wide system of free interchanges.

5. *National Antipathies.* The existence of such feelings largely interferes with the progress of wealth-creation by fostering that estrangement between nation and nation from which mainly spring the destructive system of war and the anti-productive system of protection. Happily, these antipathies, originating in ignorance and prejudice, are gradually waning under the influence of wider knowledge and closer inter-communication, and their complete extinction will date from the advent of permanent peace and universal Free Trade. Primarily, groups of families clustered into tribes; then groups of tribes clustered into larger communities, as they were impelled by some approach to identity of race, of interests, of language, and of religion. This tendency of men to agglomerate into larger social masses has still, with slight exceptions and retrogressions, been going on. With the advance of wealth, knowledge, and civilisation, the

tendency (sometimes impeded, sometimes hastened, by wars and conquests) has been towards the consolidation of two or more smaller states into a large one. A few centuries ago, England, France, and Spain consisted of a variety of small, independent states; and the unification of Italy and Germany has taken place within quite a recent date. It is not yet a century since the United States of America coalesced to form the grandest confederation of states yet known, and only a few years have elapsed since the various provinces of British North America were welded into a confederacy under the title of Dominion of Canada.

This tendency to the fusion of smaller into larger states, and to the incorporation of separate independent states into vast commonwealths or confederations, is one of the most cheering results of past, and most promising signs of future, civilisation and progress. It is a recognition of the common solidarity of mankind. It is smoothing the way to universal peace and to freedom in all its shapes. It is gradually inaugurating the reign of majorities and abrogating that of brute force. This tendency is still in full activity and potency, and is far from having yet accomplished its mission. What is the next work which it is destined to perform? In what shape will this centripetal force which has clustered communities into states and states into confederations, next exhibit its plastic power? It is not easy to prefigure the new forms into which the development of new tendencies may eventuate, but among the possibilities which the not remote

future may have in store for us, we might instance the following combinations as the practical and not improbable results of the centralising tendency to which we have adverted.

1. A confederation for certain defined objects, none trenching on autonomy, of all the various states of Europe under the title of "The United States of Europe." We have already, at p. 150, treated at some length of the possibilities and benefits of this scheme, with a special view to the prevention of war.

2. A confederation of the numerous English-speaking peoples who have founded states in, and are rapidly tenantry, various parts of the globe. The junction of all these populations, unified as they already are by race, language, and habits, would form a vast Anglo-Saxon commonwealth, of which the central representation might be invested with certain imperial powers, without encroaching, beyond those narrow limits, on the self-government of the states of which it was composed. Even now, it would comprise a population of nearly 100,000,000 of which the United States of America would alone form about one-half. But powerful as such an Anglo-Saxon commonwealth might already be from its numbers, its energy, and its wealth, the unprecedented rapidity with which the English-speaking races are working out their destinies and multiplying their numbers, not only by their own fecundity but by the absorption and assimilation of immigrating races, would before long render such a commonwealth a wonder, an example, and a guide to the rest of the world. A child just born might

live to see its population increased three-fold and its area spread over most of the fairest portions of the earth's surface. Ten years ago, a writer said of England, "We are the seminal people from which those nations will have sprung, which are probably to be the future arbiters of the world's destiny. Happy for us if we grow with them, coalesce with them, identify ourselves with them, and become part of the great cosmic system from which we may hope for that progress towards man's social well-being, which the old civilisation of Europe has so wofully failed in securing."

3. Another possible confederation might be that of the various states occupying the spacious semi-continent of South America. But although the great and improving empire of Brazil would present an excellent nucleus round which the other independent states of South America might rally for the purpose, we fear that, in this instance, a long period must elapse before the prevailing dense mass of ignorance can be cloven and broken up by impact with popular education, and before international jealousies succumb to the voice of reason.

It is by means of such international combinations that mankind will eventually form a real brotherhood, and that unnatural and absurd national antipathies will finally die out. We are far from denying or under-rating the numerous obstacles and difficulties which lie in the way of such vast schemes of improvement. But obstacles and difficulties always appear more formidable in a distant mass than when they are closely examined and boldly confronted. It is not so long since the general

adoption of a postal convention between the various nations of the world would have been treated as an Utopian dream. It is now an established fact, which largely contributes to the comfort and benefit of mankind.

Neither do we assert that such contemplated confederations, which would knit together the interests of the foremost nations of the world, and give an immense stimulus to the production of wealth, are at all likely to spring at once into existence. But we do contend that, if the time for them has not yet come, it is certainly coming—that the continuous and increasing tendency to the congregation of political bodies into large masses must result in further practical development—and that distances are now so neutralised by rapidity of inter-communication, as to offer no impediment to the working of large or complex combinations. Nor would the diversity of languages prove any serious difficulty. Already the diplomatic language of the States of Europe is French; the Anglo-Saxon nations have in common the language of Shakespeare; and throughout the South American states the prevailing tongues are Spanish and Portuguese.

We modestly offer these suggestions for what they may be worth. It is possible that improvements in our system of international polity may take place in a different form, and we shall hail them in any form. But meanwhile, we should not shrink from ourselves propounding remedies to evils merely because the adoption of those remedies appears beset with difficulties. All difficulties are surmountable. Even if our views should be

branded as "impossibilities" we should not be much moved. Our reply would simply be that "Impossible!" is an objection which man, with his finite intelligence and undefined perfectibility, should be most chary of using. Dogmatically to draw the precise line of demarcation between the possible and the impossible, is an arrogant assumption of infallibility. That boundary line has often been magisterially drawn; and just as often, subsequent experience has shown it to have been drawn in the wrong place. The list of actually accomplished "impossibilities" is an endless one. That fact should prove a rebuke to dogmatic sceptics, and an encouragement to the advocates of progress.

It may perhaps be said that the absorption of local and national interests into the wider and more general range of universal human interests will be destructive of patriotism. That depends on the meaning assigned to the word "patriotism." As long as it is, not the direct converse to, but a concentrated form of philanthropy, as long as it implies an intense desire for the special welfare of a man's native country, not as opposed to, but as connected with, the general welfare of mankind, no sentiment can be more in accord with the principles on which a friendly congress of nations would be founded.

But if patriotism is meant to confine its sympathies to the exclusive welfare of a man's native country at the expense of, and in contradistinction to, the general welfare of mankind, it subsides into a narrow, provincial, and selfish prejudice, founded

on the absurdly erroneous opinion that a country best prospers if, and when, other countries are unprosperous. Patriotism so construed is the apotheosis of a blunder. It is a defect wrongfully raised to the rank of a virtue. It is this fatuous feeling that inspired those wretched feuds which have marked the barbarism and hastened the decadence of contentious savage tribes. The same fatuous feeling gave rise to internecine and cruel wars between the petty towns of ancient Greece, and between the petty states of mediæval Italy. The ancient Lacedæmonians specially called themselves patriots, because they hated and despised everybody else; but, in truth, they were (begging Plutarch's pardon) nothing but a petty, savage, egotistical, bigoted, and cruel race of slaveholders.

CHAPTER XXI.

Land—Origin of Private Proprietorship—The World's Supply of Land—Its Gradual Absorption and Consequent Increasing Value.

WE must forbear from prolonging the list of those influences from which wealth-creation receives either hindrance or encouragement. By the time that public opinion throughout the civilised world has received sufficient enlightenment to appreciate, and gained sufficient strength to enforce, the reforms advocated in the preceding pages, the improvement in the condition of mankind will have become so mani-