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Title Elements of Social Science

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ELEMENTS OF SOCIAL SCIENCE

CHAPTER I

THE SOCIAL ORGANIZATION

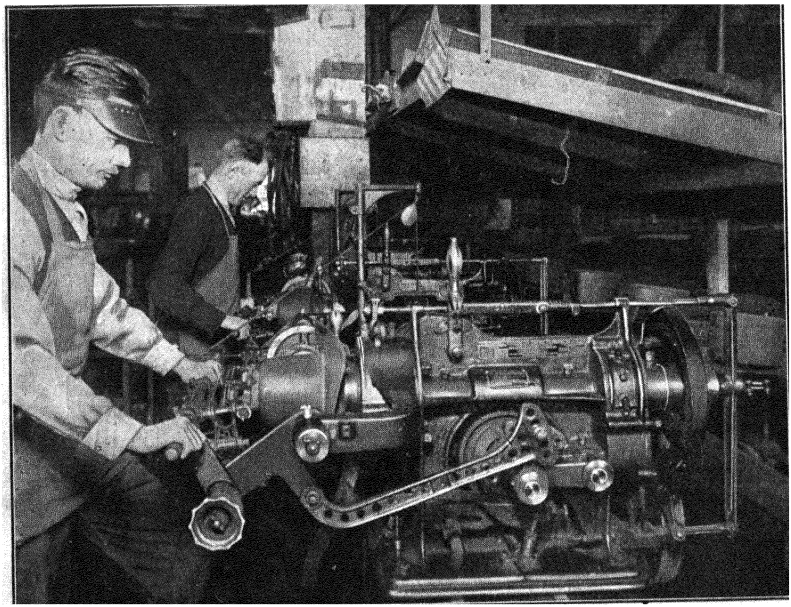
SOMETIMES we go into a great factory or printing establishment and look at the machines at work there. The more we look, the more we are impressed with the wonderful skill with which these machines have been planned, with their tremendous power, with the accuracy of their movements, and perhaps most of all with the ingenuity with which all their many parts have been fitted together, and the way in which they all work together, each doing its share in producing the final result. It is a marvelous example of mechanical organization.

Organization: *Mechanical*

Or perhaps we have attended a performance of one of the great circus companies. We have admired the physical skill and dexterity of the individual performers, and we have laughed at the antics of the trained animals and the equally well trained clowns. But possibly the thing that has impressed us most of all has been the extraordinary precision and smoothness with which the whole performance moves along, from the blast of the opening trumpet to the closing tableau. Every living thing, man, woman, child, or animal, and every piece of "property" is exactly where it should be at exactly the moment it

Human

is needed and disappears as if by magic when it is no longer wanted. Just at the second when the band is playing a particular note two trapeze performers are clasping hands in mid-air over the center ring at the same time



An example of mechanical organization. A hat-making machine.

that a trained bear is balancing a ball on his nose while he rides a bicycle in another ring, and a lady bareback rider is jumping from one horse to another in the third ring. Everything moves along so much like clockwork that we are likely not to think of what is back of it all any more than we think of the mainspring of a clock when we go to see what time of day it is. But if we do stop to think, we realize that back of every rope and wire, back of every paper-covered hoop and gaily painted stool, back of every

human performer, back of every unit in the whole enterprise, which is just where it should be just when it should be, there is a human mind at work. Some one has seen to it that all these parts fit into the whole so beautifully. It is a marvelous piece of human organization.

So we talk glibly about living in an age of machinery and organization, and we admire the various examples that we see around us. But the chances are that we seldom or never stop to think of the most wonderful piece of organization of all, an organization that affects us every moment of our lives, and without which we could not live. The reason we do not think of it is because it is so constantly present and because each one of us is in fact a part of it. This organization is what we call *society*, a term that may be thought of as referring to any group of men, women, and children who are working together in carrying on the great, important activities of life. The organization of society, the way in which its different human parts are fitted to each other and work

Social

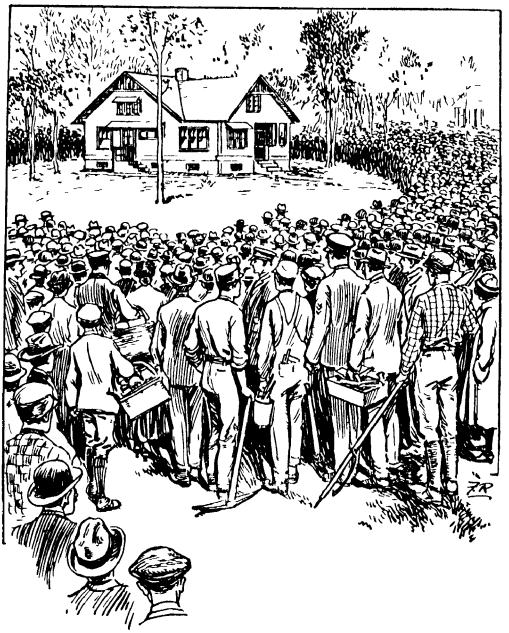


It is organization, represented by the brains at work in the manager's office, that carries a circus performance through without a hitch

in harmony, is more marvelous than the most intricate machine ever invented or the greatest "world's greatest show" ever sent on the road.

Unlimited Cooperation

Imagine yourself waking up some fine spring morning. You have had a good night's sleep. Probably you have not given a thought to the fact that, while you slept, there was a trained group of men guarding your home and another equally trained body of men ready to respond at an instant's notice if your house should catch fire. But they were there, just the same, trained, paid, and maintained by "society." You spring out of bed. Perhaps, if you are an early riser, it is still dark. You reach up and snap on the electric light, probably giving no thought to the fact that some people have been awake all night shoveling coal into furnaces in order that the current might be there when you wanted it. You step into the bathroom, light the gas heater, and turn on the water in the tub. If some Aladdin's lamp could show you the different people whose services



Untold thousands of workers contribute to the comfort of your home

understand the problems of to-day if we look back over this course of growth and see what some of its most important features are.

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ELLWOOD, CHARLES A., *The Social Problem*,

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QUESTIONS

1. What are the evidences of organization in a circus performance?

2. Select some familiar object — a jackknife, an apple, a handkerchief — and trace back the chain of service, step by step, as far as possible, making a list of the different persons who have helped make it possible for you to have the object.

3. Name ten different kinds of workers who contribute to the delivery of milk at your door. Name ten whose services are required in order that you may call a friend on the telephone.

4. How did the present social organization come into existence?

5 What is meant by organization? What have a machine, a circus, and a society in common?

6. Have you done anything to-day of service to any other person or persons, in your family or outside of it? If so, explain.

TOPICS FOR FURTHER STUDY

Name some of the benefits that come to us from social organization some of the wastes of organization, some of the abuses of organization What sacrifices does organization require? (Ross, E. A., *Principles o Sociology*, pages 257–262.)

CHAPTER II

Human Beginnings

Every person with a truly scientific mind is very careful about the use of the word *know*. He tries to be as different as possible from the person of whom it was said that "the only trouble with him is that he knows so many things that aren't so." Consequently, social science is very careful what it says about the origin of the human race. We do not know the date of this origin, but we are certain that it was very long ago and that it is most difficult to really know anything about it. There is, however, a great deal of evidence of different sorts which justifies us in *thinking* very definitely what this origin probably was. And until we have grounds for knowing, we can do no better than to follow the best thought of those who are devoting their lives to a scholarly, unprejudiced search for the truth of the matter. If sometimes we speak of things in rather positive terms, it must be understood that these statements are subject to change if some better evidence is brought out in the future.

Knowledge

One thing we do know, and that is that man is an animal. He is a very peculiar animal, and he has been able in the course of tens of thousands of years to free himself from many of the limitations to which other animals are subject. But underlying all his wonderful human achievements there are certain basic animal traits from which he can never get away. Like

Man an Animal

other animals he is born and he dies. He hungers and must have food; he suffers from storm and cold and heat and must have shelter; he reproduces his kind by a union of the sexes to which he is driven by a powerful impulse; he loves his offspring and protects and trains them as the higher animals do. In his two basic feelings, therefore, hunger and love, as well as in many lesser feelings, he is closely akin to the rest of the animal world.



Man must have shelter

Early Man

Let us think, therefore, of the human race as a new kind of animal just come into existence. For our present purpose it makes little difference whether this new species originated by a process of direct descent from an ancestral group of apelike animals, according to modern evidence, or whether it was the result of a special act of creation, according to the older view. In either case we may be almost certain that these first humans were much more similar to the rest of the animal world than men are to-day and that they resembled a gorilla or chimpanzee much more closely than a modern man. What we want to do is to try to draw a picture of how a group of animals of this kind would probably live. This will help us to realize how long and steep is the pathway of civilization which mankind has climbed from that day to this.

These first human beings undoubtedly spent most of their

waking hours in the search for food and in bearing and rearing their young. Their food was simple and not at all appetizing, according to our standards. It consisted of "roots, herbs, barks, and berries" (as the root-beer man at the aforementioned circus would say), nuts, insects, grubs, birds' eggs, and any small animals that they could catch with

Collection Stage

Food Quest



On the collection stage instinct was the guide, and human relations were mostly antagonistic.

their unaided hands or find dead. All these things they ate raw, that is, just as Nature provided them, for they had no knowledge of the use of fire. In searching for them the primitive hunter used no tool or weapon of any kind, unless possibly it was a stick or stone seized in his hand. In brief, he depended for his living, like other animals, exclusively on what Nature provided ready to hand; he had no way of either increasing or improving it. This first stage of human life has accordingly been called the *collection stage* because

man simply went about collecting his food. This stage probably lasted for many tens of thousands of years with very slight improvement.

It is clear that a man living on the collection stage would need a very large area of land to roam over in order to get



Where only one man can live on the collection stage thousands can live on the industrial stage

his living. Imagine yourself turned loose in the wilds of Maine to shift for yourself (once in a while we read of people who actually try it for a month or two), and you will realize that you would have to hunt over a wide territory to get your day's food supply. Even in the fertile tropical regions only a very scanty population could be supported on this stage.

Scanty Population

It is clear, too, that on the collection stage there would be very little need of relationships between different human

beings and very little motive for them to get together. In fact, just the reverse would be the case. When a man is dependent for his living on the supplies that Nature furnishes, he develops a very monopolistic attitude toward them. The less he sees of his fellow men the better pleased he is. His feelings toward others are mainly those of rivalry and jealousy. From the economic point of view, to be alone in the wilderness is the ideal of a man on the collection stage.

Little Cooperation

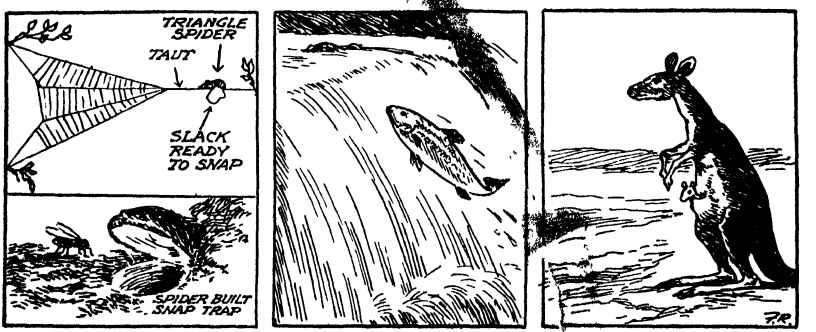
The chief motive which would draw such men into relations with other human beings is the desire to mate and establish a family group. We do not know certainly very much about the family life of these first human beings. There is much evidence that they had already developed a monogamous system, that is, the mating of one male with one female, at least for the season if not for life, and that the father gave some care and protection to the young. Even some of the modern apes have progressed that far. But most of the care of the children devolved upon the mother, and there was very little real family life. Whatever there was in the way of shelter, if anything, was of the crudest possible sort, a few branches thrown together against a bowlder or such natural refuges as could be found. Of clothing there was probably none.

Family Tie

Man at this time was a stooping creature with long, powerful arms and relatively weak legs, his body covered with brownish fur, his face wrinkled and hairy, with a protruding jaw, sloping forehead, and flat nose. Among the traits that marked him off as a new species, and that were to be influential in enabling him to

Early Traits

a wholly unique civilization, two were of especial imp The first was an exceptionally good brain, which to develop to higher and higher degrees. One specia of this brain, which was destined to be of great value, the power of imitation, that is, the ability to make p by learning from others. The second trait was an able thumb, that is, a thumb which "faces" toward th gers, thus giving the possibility of great manual dexterity. t is probable that this last trait had already developed some of man's nonhuman



Instinct produces wonderful results. It teaches the spider to build webs and traps, it brings the salmon back to the very lake where it was hatched to lay its eggs, it teaches the kangaroo how to care for her young.

kin, since the higher apes possess it to But this, in combination with the other, gave man equipment for advancement such as no other being has enjoyed.

In the beginning, however, man's brai velopment was very small, and in his simple activities he guided almost entirely by instinct, like other animals, not by reason. An instinc combination of a desire to do a certain thing and a kn dge of how to do it, which comes to one by inheritance his parents,

Instinct

and does not have to be learned. It is not necessarily a simple thing by any means. The animal kingdom is full of examples of wonderful and beautiful instincts, like the web-building instinct of the spider, or the instinct which causes certain insects to paralyze other insects by a sting in order that they may lay their eggs in a living but motionless body. But in instinctive action there is no forethought nor any knowledge in advance of the results of action. Reason, on the other hand, looks forward. It utilizes a knowledge of the relation between cause and effect. It balances the probable results of different lines of action and makes possible a choice between them.

Hunger *vs.* Love

The two most powerful sets of instincts in all animals are those connected with hunger and the search for food, and those connected with mating and the reproduction of the species. Between these two groups of instincts there is a certain conflict or antagonism. This is of the greatest importance in human, as well as animal, affairs, and it will be worth while to pause a moment to see how it works out.

Competition of Life

All animals except man live practically on the collection stage just described, that is, they are dependent for their food supply on what Nature furnishes and have no way of improving or increasing these supplies. (Possibly minor exceptions may be found, as in the case of some ants.) These natural supplies are always strictly limited. Therefore at any one time no more animals of a given species can exist than Nature provides food for. There is a constant struggle going on all the time among the animals for the possession of these limited supplies. Those who lose out in this struggle weaken and die.

The new-born members of any species at once begin to take their part in this struggle. Whether or not they are helped and protected by their parents depends on how high in the scale of development the species has gone. But in any case the struggle is a very hard one, and many of them do not survive it. How large this number is we shall see a little later on. But a few do survive and become vigorous, hungry members of the species. In their search for food they begin to compete with the older members of the species, among whom are their own parents. Being more active and vigorous than their elders they are likely to get the best of them in this competition and to hasten their death. Thus the rising generation in the animal world is always contributing directly or indirectly to the elimination of its own parents, or, conversely, parents are always bringing into the world offspring who will eventually destroy them. If animals had foresight and reason, they might hesitate a long time before bringing so many young into the world. But they are guided not by reason, but by instinct, and Nature, considered as the personification of instinct, cares much more about the perpetuation of the species than the survival of the individual.

Development of Parental Care

Because of the bitterness and rigor of this competition for food the young of those species who do not have parental protection have an exceedingly perilous existence to begin with, and all but a very small fraction of them regularly perish in infancy. It thus becomes necessary, if the species is to survive, that each mother should produce an enormous number of offspring. In some of the lower animals this number amounts to many millions annually from each female. Of these

millions only one or two will grow up to maturity. As we ascend the scale of animal evolution, we find that little by little a period of real infancy develops during which the young receive some care and protection from the parents. This consists in shielding them from danger, helping them find food, and, in the case of some types of animals, feeding them directly from the body of the mother. It is easy to see that the more of this parental care there is, the greater are the chances of survival and the smaller the number of births necessary to guarantee that there shall be two to grow up and take the place of the parents. So the higher we go up the animal scale the smaller the birth rate becomes, and the more fully is instinctive care substituted for the play of mere chance in determining the survival of the young.

Numbers Stationary in Nature

Nevertheless, in every known species in Nature, even the highest, the number of offspring born in each generation is more than enough to take the place of their parents if they all lived to maturity. The startling thing is that, in the long run, no matter how many are born, only so many ever do live to maturity as are necessary to take the place of the older ones who are dying off. The number of each old species in Nature is stationary, except when some change in the natural conditions that surround it increases its possibilities of getting food, or some unfavorable change starts it on the road to extinction. (Of course this takes no account of the interference of man.) The reason for this is that, very soon after a new species develops, the large number of young born in each successive generation will produce a rapid increase in numbers until all the available food is appropriated. Then the increase must stop, and the number remains fixed

at a point determined by the rate at which Nature regularly provides the food.

Possibilities of Increase

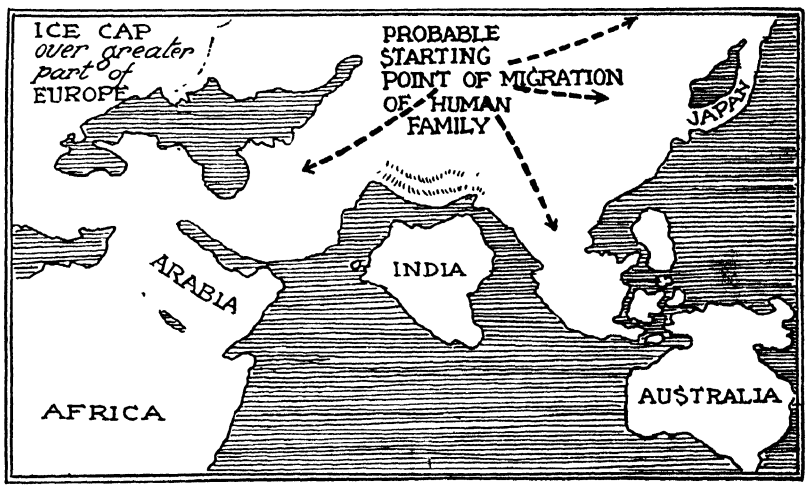
The rate at which this increase could take place if the food were available is almost incredible. The ordinary rate of reproduction of the oyster, if unchecked, would in five generations produce a mass of oyster shells more than eight times the size of the earth. There is one minute organism whose rate of reproduction is so great that, if it were not checked, in thirty days it would form a mass a million times larger than the sun. Even animals with a much slower rate would cover the earth in a very short time if all the offspring could live. So it takes only a brief period for any new species to increase up to the point where all its food supplies are used, that is, until it has filled up the particular "niche" in Nature which its special qualities fit it for.

Man a New Species

Now man, in the beginning, was such a new species. He had certain characteristics, three of which we have mentioned, which distinguished him from any other species. This meant that there was a "niche" in Nature that he could fill better than any other animal. Every new species must have some such advantage. Otherwise it could not increase at all. Nevertheless, at first this advantage was not so great that man did not have to compete very vigorously with the other animals that were most like him and therefore demanded the same kinds of food. The rivalry among animals is always keenest between those which are most alike. Man did not have a free field before him by any means. But by making the most of every advantage he possessed, he could and did increase slowly.

As far as we know, the scene of man's first appearance was somewhere on the high central plateau of Asia, which at that time was better fitted to provide a living for such a type of animal than it is at present. Let us think, then, of a small group of animals living on this plateau, gradually increasing in numbers and slowly spreading over a larger and larger area

Original Habitat



From a small region in Central Asia mankind has spread over the globe.

in their perpetual search for food. This plateau was bounded on the south by the great range of the Himalaya Mountains, on the east by a long stretch of mountains, on the north by cold and inhospitable regions, and on the west (at that time) by a great sea stretching down from the north, of which the Caspian Sea is the modern remnant. How long it took the human species to fill up this great area we do not know. But eventually the time came when as many men were living there as could be supported on

the food supplies which existed. If the species remained confined to that area, so long as it remained on the collection stage, it would be compelled to submit to a stationary population like every other old species.

But the instinct to increase among all animals is so powerful that no species will remain stationary if there is any other alternative. For man there was another alternative. The surplus population could move out of the original habitat and find new homes elsewhere. The possibility of such movement depended upon the fact that man was an exceptionally intelligent animal, and that, being a new species, he could gradually change his characteristics in such a way as to enable him to live under new and different conditions. Every species of animal is fitted to a certain physical environment and can not live outside of that environment. As man moved out of his original area into new environments he gradually modified his qualities so as to fit each new environment. This process is called *adaptation*.

Early Movement: *Causes*

It is important to realize what the character of this "movement" was. It was not like the movement of a modern family that finds it hard to make a living on the old farm and so moves to the city. It was not like the great movement from the east to the west in this country by which the great plains were settled. The people who took part in this early type of movement did not know that they were moving at all. What happened was that little by little certain individuals were forced to go a bit farther into the forest to find their living. Having established themselves, they probably remained in the same locality all their lives. The outposts

Rate

of human settlement extended just a little farther each generation. So the movement was very slow and only so far as the demands for food of the increasing numbers necessitated.

Naturally in a movement of this kind men followed the lines of least resistance. The young man who found it hard to find food enough in the region where his father and mother hunted would naturally drift to the place where it was easiest to go or easiest to find food. This resulted in certain great channels down which this slow primitive movement of population flowed. One of these was eastward into the plains of China; another was southeast into Burma and the Siamese peninsula; another was southwest into Persia and Asia Minor; and another, northeast into Siberia. Each of these channels led into a region differing somewhat from the original home of man and therefore necessitating the continuous adaptation in man's physical characteristics of which we have already spoken. Naturally, the movement could be no faster than the possibilities of adaptation, for men could not live in a new region until they were fitted to meet its special conditions. And even in a new species, such as man was at the time, adaptation takes place very slowly. This is one of the reasons why these various movements were so slow.

Routes

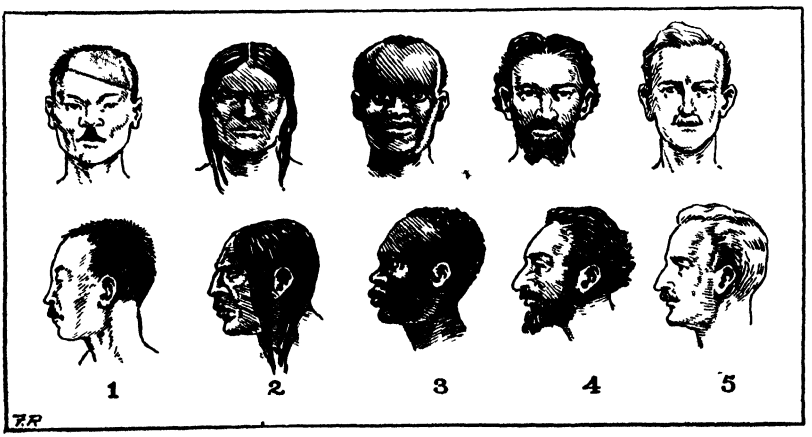
Slow as they were, however, the movements never stopped. Each group of men that moved into a new environment and became adapted to it proceeded to increase just as the original group had done. In time the new region became filled up, and the surplus members had to keep moving farther and farther. As a rule, they did not move back into the old territory, for the

Extent

simple reason that it was already full. Instead, this continuous movement, or series of movements, resulted in pushing the outposts of human settlement farther and farther into regions uninhabited by men. This process continued over countless thousands of years and finally resulted in the situation that we find as far back as real history can take us — every habitable nook and corner of the earth's surface peopled by a group of human beings adapted to its own particular requirements, each group including as many persons as could be supported in its area under existing conditions.

It was this continued process of adaptation to new environments that occasioned the formation of the great original races of men. By a *race* we mean a group of men related to each other by blood more closely than they are to other groups, and having certain peculiar physical traits, which are passed

Race:
Formation



Five important racial types.

1. Mongolian
2. American Indian
3. Negro
4. Semitic.
5. Nordic

on from generation to generation by biological inheritance. These traits are called "race characters," and it is important to grasp the fact clearly that true race characters come to us from our parents and are passed on by us unchanged to our children. The changes which come to the individual as a result of his personal experiences, with a few exceptions, are not passed on to his descendants, and in no case are they true racial traits.

End of Formation

The evidence is that the formation of new races by the development of new race characters stopped long ago. Paintings on the walls of ancient Egyptian tombs show us that the races who lived in that country three or four thousand years ago were, as far as we can see, identical with the present inhabitants. The only way that races change to-day is by the mixing of different racial stocks, so that the offspring have some of the characters of one race and some of the other. This process has been going on for a long time and has been so extensive that there are very few "pure" races left to-day.

Dependence on Land

This discussion of man as a newly developed species of animal has prepared us to understand what is perhaps the fundamental law of social science, that is, that man is absolutely dependent for his existence on supplies furnished by Nature. In other words, he is dependent upon the land, using the word in its broadest sense to include everything on the surface of the earth. Not only the humble and simple food supplies of primitive man, but every particle of material wealth of the most elaborate kind, no matter how finely manufactured, comes ultimately from the land. So the one material

thing that man has always desired more than anything else is land. *Land* is the primary form of wealth and the final source of all wealth. Competition for the possession or use of land is the mainspring of many of man's most important activities. The fact that land is limited both in



No matter how perfect his mechanical inventions, man is still dependent on the land

extent and in its natural qualities lies back of many of the limitations against which we humans are always struggling.

Necessity of Labor

Another great social law which we are now prepared to understand is that human effort is the only way to get from the land the supplies which it has to offer. The amount of this effort that is required differs under different circumstances. It takes a great deal of effort to get a ton of coal from beneath the

earth's surface; it takes very little to get all the huckleberries you want to eat from a good patch. But even in the points where Nature is most "generous" some effort is necessary before human wants can be supplied. To human effort expended in supplying human wants we give the general name *labor*. Land and labor, accordingly, are the two fundamental factors in supplying man's material wants.

Benefits of Movement

It is important to notice also that as long as there was land in existence on which no men were living,—uninhabited land from the human point of view — the competition for land was not as keen as it would otherwise have been. If it had been impossible for man to move outside of his original home on the central plateau of Asia, the competition of the men living there for the products of that restricted area would in time have become as bitter and relentless as it is among the wild animals. The possibility of a movement into new territory was a wonderful safety valve. It was a blessing alike to those who went and to those who stayed. This safety valve continued to operate as long as any uninhabited regions remained. When the time came that all the habitable portions of the globe were occupied, and there were no more new lands to be appropriated, a new era dawned in human affairs, the importance of which we shall see as we go along.

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TYLOR, EDWARD B., *Anthropology.*

QUESTIONS

1. What are some of the chief traits that man has in common with other animals? With plants?

2. Describe life on the collection stage, with respect to food, size of population, and degree of cooperation. Explain each of these conditions as fully as you can.

3. Describe the physical type of early man. In what important respects did he differ from his nearest relatives among the animals?

4. Show how the instinct of hunger and the instinct of mating work against each other.

5. Explain why the numbers of animal and plant species are stationary in Nature.

6. Where was man's original home probably located? Explain the means by which man was able to escape from the general rule of a stationary population.

7. How were the different races of man formed?

8. Explain and illustrate man's dependence on land, with reference to food, clothing, shelter, heat, light, art, music, etc.

9. State three things that you *know*. Explain how you know them.

TOPICS FOR FURTHER STUDY

The likenesses and differences between man and the anthropoid apes. (Tylor, E. B., *Anthropology*, Chapter II.)

Examples of waste of life in Nature. (Petrunkevitch, Alexander, "Wasteful Nature", *Yale Review*, October, 1922.)

The leading instincts of the human animal, and their importance in modern life. (Parker, Carleton H., "Toward Understanding Labor Unrest," in *The Casual Laborer and Other Essays*, pages 27–41.)

The lowest types of living men. (Keane, A. H., *The World's Peoples*, pages 43–68, 139–150.)

CHAPTER III

Economic Progress

We have seen that for a long period in man's early career his activities were guided almost entirely by instinct, and we have seen that hunger and love were two of his most important instincts. There were many others. It is not necessary at this time to attempt even to name them all. Some of the other important instincts were the instincts to sleep, to play, to escape danger, and very likely to "show off." In all purely instinctive action the chain of causation is very simple. First of all there is *feeling*, perhaps arising spontaneously within the individual, perhaps occasioned by some object or "stimulus" outside the individual. For instance, after going without food for a certain length of time, any one of us begins to feel hungry. This comes from the very make-up of our bodies. But sometimes, when we have not been conscious of hunger, the sight of appetizing food will suddenly make us hungry.

Springs of Action

Feeling

Following closely upon the feeling, and so intimately connected with it that it is hardly distinguishable, comes a *desire*. This desire is for something which will gratify or satisfy the feeling. If an object is present which will answer the desire and gratify the feeling or if any action of the body will directly gratify the feeling, *action* takes place at once. When we are dealing with instinct alone, the individual knows, by an inherited,

Desire

unlearned wisdom, just what movement or what object will gratify the feeling and how to act in order to produce the result. The instinctive chain of causation, therefore, according to which man lived at first is *feeling, desire, action.*

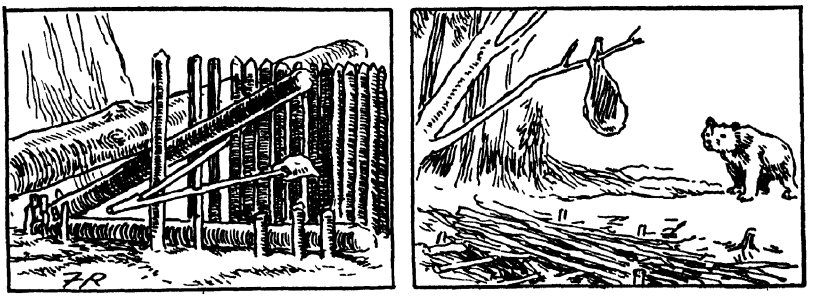
Reason

In the case of man, however, there gradually developed a quality which, so far as we know, is not possessed by any other animal, certainly not to a comparable degree. This is the ability to think and reason. As this quality was developed, man's conduct was slowly lifted above the level of purely instinctive behavior. When he became conscious of a feeling or desire, instead of being limited to an unlearned, inherited, instinctive method of satisfying that desire he could begin to consider different possibilities; he could begin to deliberate as to whether it would make him happier to follow his instinct at once or to "suppress" the desire for the time and perhaps work out some better way of satisfying it than instinct suggested. He could begin to look forward into the future and to weigh the results of following different lines of conduct. To the animal, guided by instinct, only one line of conduct is open at any given time. To man, endowed with thought and reason, several lines of conduct may be open, among which he is able to make a choice. In making this choice he uses that remarkable faculty which we call the *will.*

Subordination of Instinct

The train of causation in human behavior accordingly becomes feeling, desire, *thought,* action. It is the introduction of this one new factor, so simply expressed, which differentiates social science from all other sciences. It must not be supposed that man has lost his instincts or that his behavior is entirely freed from instinctive control. Man still has a very complex

equipment of instincts, and it would be a great mistake to ignore them. But in practically all his conduct, however

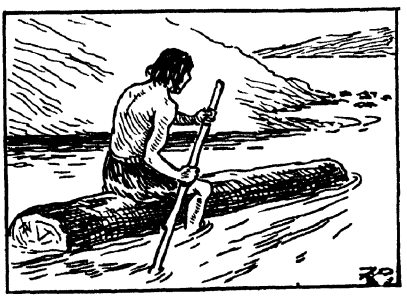


Man gradually learned that by suppressing his instinct of hunger and using part of his food supply for bait he could get more food in the long run

instinctive its origin, the factors of thought, reason, and will enter in, and it is with this sort of conduct that social science particularly concerns itself.

The development of these distinctively human qualities was undoubtedly extremely slow and gradual. For countless centuries the differences between man's conduct and that of his nearest kinsmen among the lower animals must have been almost imperceptible. But the separation was a positive one and became more and more marked as the ages rolled by. Its result was what we call human civilization, or culture. In social science we study the growth of this civilization in

Civilization the Result of Thought

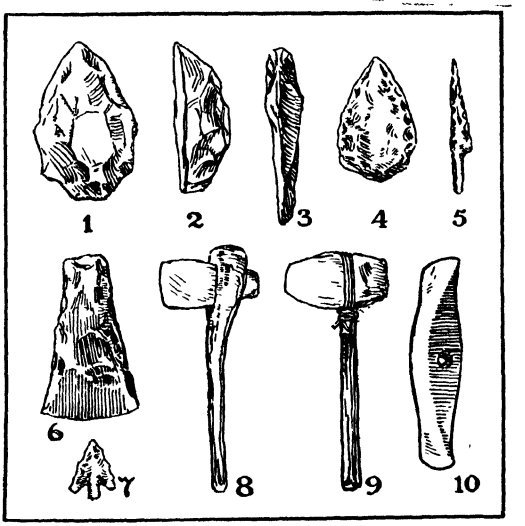


Man thought out ways of using natural objects to increase his own power.

order that we may understand the nature of our own culture and may learn how to bring the activities of our own society more and more under the control of thought and reason so as to increase the amount of human happiness.

First Tools

One of the first uses to which man put his budding power of thought was in working out better ways of getting his living from Nature. His first steps in this direction look exceedingly simple to us, familiar as we are with all sorts of mechanical contrivances. One of his earliest achievements was the invention and manufacture of a stone hammer. Where, or by whom, this was first done we of course do not know. But there is abundant evidence that one of the first great steps along the pathway of civilization was the making and use of implements of this kind.



Various types of stone implements. The axe is particularly important.

1 and 2 Back and side view of primitive chopping stone. 3 Scraper 4 Chopping stone with point. 5. Point. 6 Axe head 7 Arrow head 8 Axe. 9. Axe (American Indian style). 10 Polished stone axe head of later development

A stone hammer in its simplest form consists of a piece of stone of appropriate size and shape fastened on to the end

of a stick. At first, probably, stones were used just as they were found; no attempt was made to shape them in such a way as to make them more useful. Probably the stick or handle was also used just as it was found. There were doubtless different methods devised of fastening the head to the handle.

Stone Hammer

The advantage conferred by the first stone hammer on the man who first used it can be appreciated only by using our imagination to picture the difference it would make in the life of a man living on the collection stage. Such a man, as we have seen, depended for his living entirely on what Nature furnished him. This meant that without the aid of some implement, he was limited to such things as he could get with his bare hands. He had no other means of defending himself from or of killing the larger animals. He would hardly have dared, for instance, to attack a wolf in the hope of strangling him. But give him a stone hammer and he could well hope to be able to win out by a crushing blow on the wolf's skull. Both in defense and attack the possession of a stone hammer gave him an almost incalculable advantage.

Advantages: *In Hunting*

But it was not only in the struggle with Nature that the possessor of a stone hammer gained a sudden advantage. He was equally favored in his rivalry with his fellow men. Suppose, for example, that two savages, wandering separately through the forest, should happen to come at the same time upon the remains of a deer which had been killed, half devoured, and then abandoned by a tiger. Each would want to claim it for his own, and the natural result would be a fight. If both men were unarmed, the outcome of the fight might be

In Fighting

doubtful. But if one was armed with a stone hammer he could probably settle the affair with one resounding crack, even though he might be the weaker man. It would have the effect of giving him a longer arm, with a heavier, harder fist at the end of it.



A stone hammer has the effect of a hard fist at the end of a long arm.

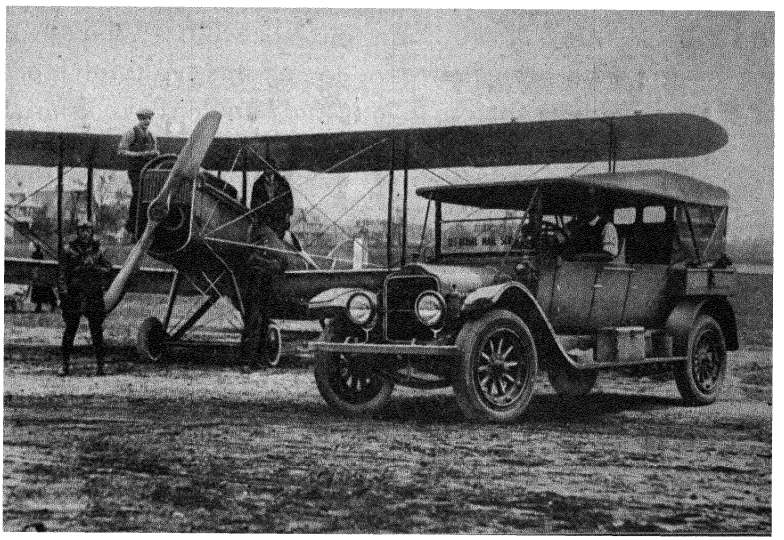
Development of Tools

The stone hammer was only one of a long series of implements which man proceeded to make, once he got started. To these simple implements we give the name *tools*, and their importance in the growth of civilization is so great that man has been defined as the "tool-using" or "tool-making" animal. In the beginning these tools were generalized, that is, a given implement would be used for all sorts of purposes. The same stone hammer would serve to crack nuts, to kill rabbits, and to split open either a bee tree or the skull of a human rival. There was no distinction between tools and weapons. Specialization of form and use came later.

It is worth while reemphasizing the importance of these first simple inventions. They were important not only because of the uses which they themselves afforded, but

because they were the first necessary steps in the whole series of mechanical achievements. The man who first devised a method of fastening a stone to the end of a stick made a much greater accomplishment and added much more to human progress than the inventor of the airplane or the radio. Great inventions are relatively easy to-day because we can utilize

Inventions Cumulative



Modern inventions are possible because of the scientific knowledge which has been piled up by past effort.

all the discoveries and achievements of past ages. All the great mechanical principles — the lever, the wheel, the screw, etc. — are available for our use. The essential facts of chemistry, physics, and biology have been worked out for us long ago. All we have to do is to combine them in new ways. Only once in a long while is a principle new discovered and never anything [illegible]

portance with the original discovery of the great fundamental truths of science.

Ages Distinguished by Typical Materials

For a long time, all over the world apparently, man's favorite material for the manufacture of his tools was stone. Little by little he learned to shape pieces of stone, particularly flint, to serve different purposes. He made not only hammers, but other tools such as hatchets, arrowheads, scrapers, and rollers. Many beautiful examples of this early human handiwork have been preserved for us in caves and other places, so that we can actually see and handle the tools used by men tens of thousands, perhaps hundreds of thousands, of years ago. We can see how the skill in manufacture grew. The earliest specimens are rough and crude and show only slight changes from the natural form. The later ones are beautifully shaped and often smoothed and polished. To this long period, when stone was the characteristic tool-making material, we give the name of the *stone age*. Later on men learned that for most purposes bronze (a mixture of copper and tin) is preferable to stone, and the *bronze age* resulted. Still later came the *iron age*, in which we are still living.

Hunting Stage

One of the results of man's mastery of tools, as has already been suggested, was that it enabled him to capture or kill the larger animals which before had been beyond his capacity. This was of immense importance to him, as it multiplied his food supply many fold. A man who, in an hour's hunting, succeeds in killing a deer has at more food than he could hope to collect in days ·nsects, grubs, or berries. In fact, the use lifted man out of the collection stage

onto the *hunting stage,* which is the next great level in human cultural evolution. Men living on the hunting stage use not only various weapons for attacking game, but all sorts of snares and traps by which even the largest animals, such as elephants, may be rendered helpless and killed at



The hunting stage By the use of thought and cooperation men could drive animals into concealed pits. Larger animals could be caught in this way than by individual effort, and there was safety in numbers.

leisure. The most immediate effect of this new power over Nature was to increase the food supply of the human species as a whole very greatly. This meant that not only could many more people live on a given area, but they could live better. The numbers of human beings and their level of comfort — what we call their *standard of living* — were both increased.

Growth of Cooperation

Another result of the hunting stage was that men began to learn the advantage of working together in getting their living. As has already been explained, there is no incentive for men to coöperate when they are living on the collection stage. What food there is available to such men can be gathered by one man alone as well as by two or more working together,



Cooperation in production was fostered by the development of the hunting stage.

and each one wants all he can get. But when it comes to hunting the larger animals, there is much to be gained by united effort. In capturing and killing the larger animals not only are several men better than one, but a group can do things which an individual could not do at all. So men learned that a tenth of an elephant is better than no elephant at all and got together in the hunt. There are still primitive groups of people living, such as the aboriginal Australians, among whom hunting is the main form of organization which brings them together in social action.

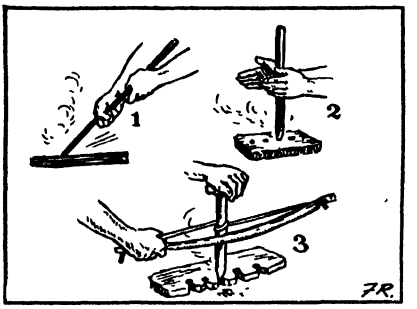
In the story of man's economic progress one great discovery stands out as wholly unique. In its importance it probably exceeds any other single achievement in the economic field ever made by man. This is the discovery of the use and creation of fire. Perhaps it would be more accurate to speak of these as two discoveries, for it is a fact that man knew how to use fire long before he knew how to make it. We have no certain information as to how man first got fire. It may have been from volcanoes. It may have been from blazes started by lightning. It may possibly have been from the dry branches of trees ignited by rubbing together in the forest. In some way or other he got it, and it straightway became his most precious possession. He guarded it with the greatest of care, and the gift of fire from one person to another was one of the surest tests of friendship and hospitality. Its socializing effect was great, because it is one of the few things that you can give away and still have as much as before. Of course, at first man had no idea of all the different things that might be done with fire. His original uses of it were very simple — probably in the beginning chiefly to scare away wild beasts and ghosts, the latter of which, as we shall see, played a very large part in the life of primitive man. Gradually, however, he learned other uses, the cooking of food, the baking of pottery, the melting of metals. Finally, also, he learned

Fire



One of the earliest uses of fire was to scare away ghosts and wild beasts.

how to make fire and thus gained a great deal more independence than he had ever had before. The ingenuity of primitive man is excellently illustrated by the various devices which he worked out for making fire, some of which are familiar to-day to every Boy Scout. If you will try to think how many of the things that you enjoy to-day are dependent, directly or indirectly, on the use of fire, you will get some idea of how much we owe to this single discovery, and perhaps it will help you to imagine what human life was like before this discovery was made.



Different fire-making devices. 1. Planer; 2. Hand drill; 3. Bow drill.

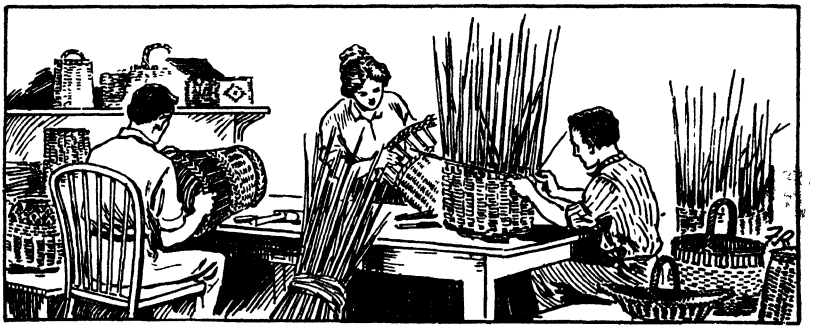
To the activities of human beings which are directed to getting a living, we give the general name *self-maintenance*. On the collection stage the self-maintenance activities were strictly individual; on the hunting stage they began to be social. The study of self-maintenance activities, which is one department of social science, is called *economics*. The growth of economic knowledge has been one of the most important parts of the development of civilization, upon which every other part depends more or less closely.

maintenance

In economics, as in every other subject, there are two kinds or forms of knowledge. One is called the "art"; the other, the "science." An *art* is a body of practical knowledge of how to go to work to produce certain results. It does not involve any understanding of why things come out as they do. An art may

Art

be simply the result of a long process of trying and failing and making gradual improvements. Thus a man may be a very good house painter without knowing anything about the chemistry of paints or the effect of paint upon wood, etc. He has learned how to put the paint on, and he can do it. Primitive men have many wonderful economic arts. For instance, the Australians get their poultry by swimming under water, breathing through a hollow reed, under a flock of wild ducks, seizing them by their feet one by one, pulling



Basketry — one of the useful arts developed early in the course of civilization.

them under water, and tucking them in their belts. They know nothing about the law of gravitation or the effect of oxygen on the human body. But they get results. To get the contrast with something scientific, compare this procedure with a submarine, which does somewhat the same sort of thing, but where everything is worked out in advance by the laws of physics, chemistry, physiology, etc.

A *science*, on the other hand, is a body of knowledge based on a large number of carefully collected facts, which have been arranged and classified in such a way as to establish certain general laws and principles. These laws and principles explain the *Why* of

Science

things by finding out and describing the forces that are at work to produce the facts which have been observed. It is an almost universal rule that the arts have preceded the sciences. Men learned by experimentation how to do things long before they knew why a given method of procedure produced a given result. There are many excellent cooks to-day who know nothing about chemistry or physics. But on the other hand, an art can seldom be carried to its highest perfection until the corresponding science has been worked out. The science of nutrition is making many changes in the diet of educated people.

Economic Arts

Man's progress in the problem of making his living has been for the most part the result of the development of a wonderful group of economic arts. It is only within a couple of centuries that there has been any real science of economics. We have already seen that the first great epoch-making art was the art of hunting and that its importance was so great as to have given its name to one of the great stages of human culture. So far as we know, every group of human beings, however civilized they may be to-day, has lived on the hunting stage at some early period in its development. There are tribes of men living to-day who have never passed beyond the hunting stage. When North America was discovered by the white men, the Indians were still living for the most part on the hunting stage, though they had taken the first steps toward a higher one.

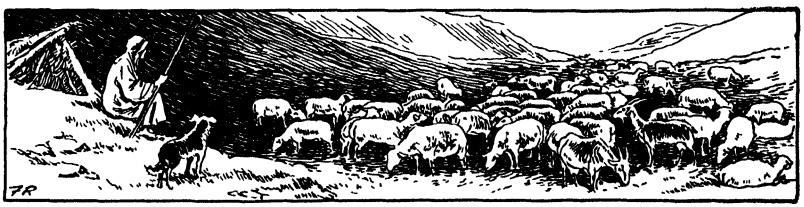
The next great economic art of sufficient importance to give its name to a stage in the evolution of civilization was the art of the domestication of animals, which includes capturing them alive, keeping them in captivity, taming them,

and breeding them. This stage followed the hunting stage in almost every part of the globe, and almost every group of people which has passed through the hunting stage has entered the *pastoral stage*, as it is called. Some living tribes have progressed no farther. As

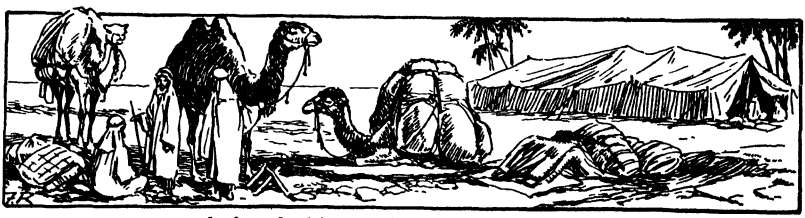
Pastoral Stage



The nomadic or pastoral stage Man learned to domesticate animals.



He secured thereby a larger and more varied food supply,



materials for clothing and other domestic purposes,



and means of transportation.

in hunting, so in the domestication of animals, the chief benefit derived was the increase of the food supply. This came about in two ways, through the increase of meat and through the use of milk and its products. As a general rule pastoral tribes learned that the total food supply was greater if most of the animals were kept alive and their milk used than if they were killed for their flesh. It followed that the animals most commonly domesticated all over the earth have been those which are adapted to give large supplies of milk, such as cattle, goats, sheep, reindeer. Usually their flesh is also eaten, but it is rightly regarded as a comparative luxury, and the main dependence is upon milk products. Other animals — the horse, donkey, camel, etc. — have been domesticated primarily as beasts of burden, and at least one animal, the dog, has come to be prized chiefly for pleasure and companionship. The effect of the increase in food supplies which came with the pastoral stage was even more striking than that of the hunting stage in making it possible for men to live on a given area and to live better. The numbers of the human species became many times greater than could possibly have lived either on the collection stage or on the hunting stage.

Life on the pastoral stage has many pleasant features, and men could have lived very comfortably if they had never got beyond it. But it is one of the characteristics of the human species that it is always seeking for improvement and progress. It is never content to remain stationary. Having made these two great improvements in the supplies of animal food, man's capacity for learning next led him to the discovery of means of increasing and improving the food

Transition to Agriculture

supplies which came from plants. Nature furnishes many excellent kinds of plant food without any effort on the part of man except the labor of collecting them, as every country



The agricultural stage. Man had to clear the ground of useless plants, and give their place to useful ones. The development of the plow is shown, from the primitive drag stick (still used by the Australian aborigines) to the American plow of Colonial times. When the iron plow was first introduced men hesitated to use it for fear it would poison the soil.

boy knows. There are fruits, nuts, berries, barks, leaves, roots, etc. But the one which has really been of the greatest importance is one which most of us would hardly think of. This is the seeds of wild grasses. It is in developing these seeds that man has made his greatest achievements in the

increase of plant food. It is from them that we get our various grains, such as wheat, oats, barley, rice, and corn.

Nature is so bountiful in providing these various kinds of plant food adapted to man's needs that it was probably a long, long time before it occurred to him that it was worth while to try to make any improvements. Eventually, however, the increasing numbers of his species forced him to experiment with the possibilities of increasing the supplies of plant food. The outlook must have been very discouraging at first or would have been if man had been capable of looking far into the future. The plants came on this earth long before the animals, and ages before man appeared the law of increase, already explained, had filled the earth as full of plants as it would hold. Wherever a plant could grow, a plant was growing. What, then, was man to do? He gradually discovered that there were two things that he could do: first, to destroy the plants which were of no use to him and give their place to useful plants; second, to improve the quality of the useful plants from the point of view of their food production. Suppose, for instance, that in the region inhabited by a certain tribe there were great forests of spruce trees and meadows filled with grass which produced edible seeds. The men of this tribe could kill the spruce trees by cutting circles in the bark (girdling) or by burning or even by cutting them down and grubbing up the roots. On the land thus set free they could plant grass seeds and so increase the crop. Even if the trees themselves were of a sort which produced food, such as chestnuts, it might pay to cut them down just the same.

Agricultural Stage: *Plant Selection*

For a given piece of land might produce more food devoted to grass than to chestnut trees.

Plant Improvement

The other method of increasing plant food was by carefully selecting the seed from the best plants and improving the food-bearing quality of the plants themselves until each plant, instead of producing hardly enough seed to fill an acorn cup, would produce a good handful. Cultivation and fertilization

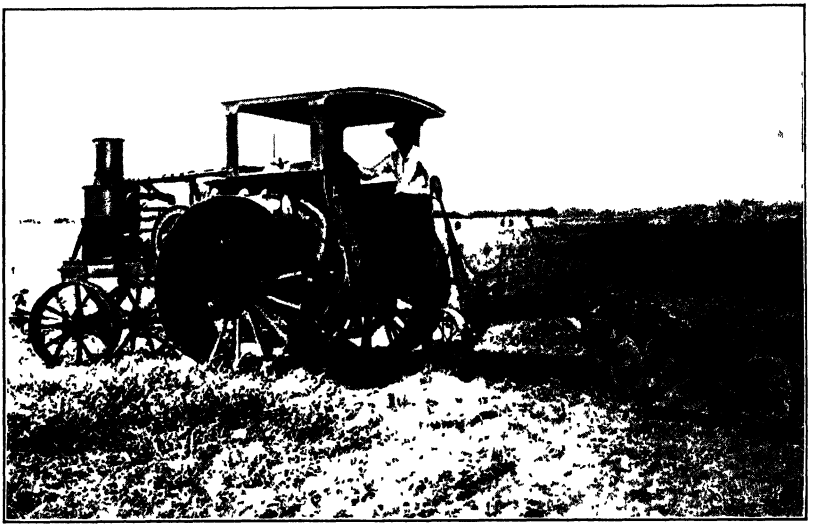


Photo by Underwood and Underwood

Man's cultivation of the soil, like almost all his other enterprises, has been mechanized. Compare this gang plow with the Colonial plow shown on page 43

would also play their part. From the simplest beginnings, ages ago, man has gone on to the present developing these various methods of increasing the supplies of plant food, and the end is not yet. Luther Burbank, the Plant Wizard, has shown us how great the possibilities still are. All these

various arts are included under the head of *agriculture,* and so the fourth stage of economic evolution is called the *agricultural stage.* Of course, having learned how to cultivate plants, man has cultivated them for many other purposes than food, particularly the fiber-producing plants for



© *Ewing Galloway*

Some of the results of man's achievements in plant improvement.

clothing, etc., just as he has domesticated animals for other purposes than food. But the food supply has always been the basic, primary concern, and the chief result of the agricultural stage, just as of each of the preceding ones, has been to increase vastly the numbers of human beings who could live on the earth and at the same time to increase the comfort in which they could live.

In all these great advances, epoch-making though they were, man did not get very far away from Nature after all. The finest race horse or truck horse is not so different from a zebra or wild ass. The tallest corn stalk, the fullest head of wheat, or the most fruitful apple tree is very much like something which

Manufacturing Stage



Photo from Ewing Galloway

Here is shown the cotton field and the mill to which the cotton is to be taken.

Nature herself produces. But while man was making these discoveries and improvements, he was also working along an entirely different line of progress which had its beginning in the stone hammer, the importance of which we have already observed. This line of progress had to do with the

artificial manufacture of various things from materials supplied, as always, by Nature but in forms wholly different from anything which Nature herself produces. This progress was slow and gradual, but it was continuous, each era building on the accomplishments of the preceding ones. Finally the time came when, with relative suddenness, men began to develop the arts of manufacture to a degree never dreamed of before. This gave rise to a new and (up to the present) final stage of economic evolution which we call the *industrial*, or *machine stage*. Men living on this stage are rightly thought of as having got much farther away from Nature than on any of the others. There is nothing in Nature even remotely resembling an automobile, a printing press, or a gold watch. We modern human beings are living in the midst of this stage, and many of our difficulties come from the fact that, still being animals, we have got so far away from Nature. In one important respect, however, this stage resembles all the others: it has resulted in a vast increase in the numbers of human beings who can be supported on the earth's surface and in a vast improvement in their standard of living.

Summary

We see, then, that the economic evolution of the human species has proceeded through five great stages, the collection, hunting, pastoral, agricultural, and industrial stages. It is hardly necessary to point out that these are periods in the development of civilization, not chronological eras. Some groups of men have passed through them much more rapidly than others. As we have seen, some living groups have passed through only one or two. But as a rule, any group which has reached a given stage has got there by passing through the preceding ones.

It is obvious, also, that these different stages were not separated from each other by sharp lines. Man did not pass from one to the other by a single great leap. The transition was always very gradual, and imperceptible at the time. Never was it possible, for instance, for a man to say, "My grandfather lived on the hunting stage, while I am living on the pastoral stage." The improvements came little by little, by minute steps, and it was only when the new methods had become *characteristic* that it was possible to speak of the new stage having arrived. This will be still clearer when we remember that each new stage was marked by the addition of something new, not by the abandonment of something old. Men have kept the older arts, so far as they were useful, even when they have discovered better methods to rely on for their chief dependence. Pastoral peoples often do some hunting, and agricultural peoples almost always attach much importance to the domestication of animals. We, here in the United States where civilization is at its highest, not only manufacture, practice agriculture, and raise stock, but we also hunt and even collect. This variety of resources makes our economic culture rich and full.

Transition Gradual



Early pottery.

We can now see something of the marvelous pathway up which man has climbed in his efforts to satisfy economic desires — all that great mass of needs and wants which cluster around the basic hunger instinct.

Economic Progress

First, no tools at all; then tools of stone, bronze, and iron in succession as the characteristic material. First, no economic arts at all, except instinctive skill like the other animals; then increasing dexterity in collection, then in turn hunting, stock raising, agriculture, and manufacture.

Results of Progress

We have seen that the immediate and direct effects of these great economic achievements were to make it possible for more men to live on the earth and for them to live much more comfortably. How tremendous a difference they have made may be illustrated by the case of North America in the last five hundred years. As far as we know, there were as many Indians living in North America at the time the white men came as the land could support in consideration of the economic arts which they possessed. In other words, the country was full of Indians. Yet on the very territory where there are now living over one hundred million people, there were probably less than half a million Indians. And the Indians lived much less comfortably than we. It is not because the white men are any brainier or more naturally intelligent than the Indians



Photo from Ewing Galloway

The invention of the potter's wheel greatly facilitated the making of pottery.

— probably they are somewhat, but it is by no means certain. It is because the white men have the benefit of an enormous accumulation of economic arts of which the Indians knew nothing.

Effect of Economic Arts on Social Life

Another result followed these great economic changes, which is scarcely less important than those we have been discussing. This was their general effect upon the whole social life of different groups of men. We have spoken of the self-maintenance interests as being basic, or fundamental. This they certainly are. As a result the economic methods and habits of a group of people inevitably affect all their other ways of life, often with an irresistible power. For example, we have already seen that the collection method of getting a living tends to drive people away from each other and keep them isolated. No complete social life can develop under these conditions. Nothing like a genuine community could have arisen if men had never discovered a better way of getting their living. Again, the discovery of fire had many other effects than making it easier to get a living. Among other things it had a great deal to do with the establishment of the home. Before men had learned to make fire and necessarily had to see that it did not die out, the place where the fire burned was a very important spot. Somebody had to stay there to keep the fire up, and for reasons which we will consider a little later this was usually the woman. So the place where the fire and the woman were was the spot to which the man returned after his day's hunting or fighting; it was the rudimentary home. How powerful is this influence is shown by the fact that we still often speak of the home as "the hearth."

One of the most beautiful illustrations of the effect of the economic arts upon the whole system of life is furnished by a society living strictly on the pastoral stage. The life of such a community revolves entirely around their flocks and herds, and every institution must be adapted to meet the needs and habits of the animals. Now almost all domesticated animals feed primarily upon grass. So the pastoral community has to go where the grass is. Since grass will not grow as fast as a large flock of animals will eat it, it follows that this type of community must be always moving. They follow the grass. Oftentimes they will start in the spring at the southern border of a great grass-grown area and move steadily northward, returning in the fall and turning into hay for winter use the grass which has grown on the first pastures in the meantime. So characteristic is this seasonal movement of peoples whose chief subsistence is live stock that the pastoral (herding) stage is often spoken of as the "nomadic," or wandering, stage. All the institutions of such a community must be adapted to travel. They can have no fixed dwellings but must live in tents or other movable shelters. They are almost certain to have some sort of beasts of burden, such as horses or donkeys. Their family life is usually vigorous and vital, and the family group large. What we call the "patriarchal" family is characteristic of the pastoral community. Even the type of religion is affected, since they can hardly have fixed shrines or places of worship. We can easily see how the change to an agricultural basis, involving the planting and cultivation of fields and the harvesting of crops, would necessarily involve a much more stable, fixed method of life.

Nomadic Life

Economic Influences Complex in Modern Life

In our complicated, twentieth century civilization, the relationship between our economic system and our other interests is not nearly so simple and easy to see, but it is there just the same. The characteristic feature of our economic system is the machine. We shall see as we go along how thoroughly the machine is affecting every department of our life. One of the purposes of social science is to study the influence of machinery on social life with the purpose of finding out how its injurious effects may be reduced to a minimum and its good effects preserved.

We have given this primary place to the beginnings of economic culture because, as already emphasized, the economic interests are the primary ones, and life itself can not go on without some degree of success in the economic activities. Let us turn now to the consideration of some of the other interests which, while not so essential to life, are essential to human happiness and progress.

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QUESTIONS

1. What were some of the first tools devised by men? Explain their importance.
2. Why is man called the "tool-using" or "tool-making" animal?
3. What is the series of "ages" of human civilization based on the different characteristic materials?
4. How does the hunting stage differ from the collection stage with respect to food; size of the population; degree of cooperation?

5. Explain the importance of fire in the development of human civilization. Can you think of any article of clothing, any article of food, or any implement used in sports or games which has been produced without the use of fire?

6. What activities are included under "self-maintenance"?

7. Define "art", "science"

8. What is the pastoral stage? How does it differ from the hunting stage with respect to food, size of the population; degree of cooperation?

9. By what two chief methods did primitive man increase his supplies of plant food?

10. In what economic stage are we now living? How does it differ from the preceding stages with respect to food, size of the population, degree of cooperation?

11. Explain the importance of past inventions to modern scientific progress.

12 Explain the difference in the train of causation among men and among animals.

TOPICS FOR FURTHER STUDY

Different divisions of the stone age (Tylor, E B , *Anthropology*, pages 24–34. Keane, A. H., *Ethnology*, pages 71–140)

Uses of fire, and methods of making fire (Tylor, E B , *Anthropology*, pages 260–268 Dellenbaugh, Frederick S , *The North Americans of Yesterday*, pages 250–254, 368–370.)

Typical economic arts. Hunting (Fynn, A J , *The American Indian as a Product of Environment*, pages 88–90, 121 Tylor, E B., *Anthropology*, pages 206–214.) Agriculture. (Tylor, E. B., *Anthropology*, pages 214–219. Dellenbaugh, F. S., *The North Americans of Yesterday*, pages 332–343.)

Relation between economic organization and social life. (Fynn, A. J., *The American Indian as a Product of Environment*, pages 248–263.)

Achievements of Luther Burbank in plant improvement (*Encyclopedia Britannica*, Article "Luther Burbank." Harwood, W. S., *New Creations in Plant Life*.)

CHAPTER IV

Interests

Since we shall need to devote much thought to the idea of interests, it will be well first of all to see exactly what an interest is. An *interest* is the relation between a person and some object which he believes will satisfy a desire of his. A hungry person has an interest in food. A cold person has an interest in a fire or a warm coat. A great many people, young and old, to-day have an interest in radio sets. You will see that the word "object" in this definition is used in a very broad sense. It includes not only material things but activities and experiences of every kind. An active child has an interest in running, jumping, and shouting. A weary person has an interest in sleep. A musical person has an interest in sitting quietly and letting the strains from a fine orchestra play upon his ear drums.

Definition of Interest

Thus our whole conscious life revolves around our interests. Practically every voluntary act of every human being is in pursuit of some interest. The nature of men's interests determines to a large extent the character of the society which they form. Since men are made alike in their general character with the same fundamental feelings and desires, it follows that they have many similar interests. In the beginning, when man was just emerging from the purely animal stage, the interests of all individuals must have been nearly iden-

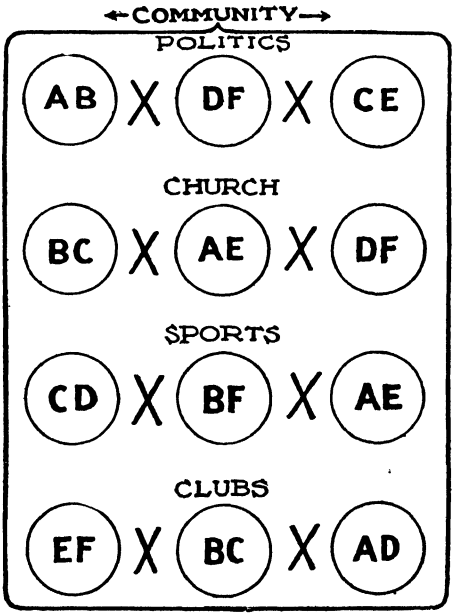
Civilization Brings Specialization

tical. As his mind has developed, he has acquired a much wider range of feelings and desires and therefore a much larger group of interests. These interests tend to become more and more specialized and peculiar to different individuals. Some people like one kind of music, some another, and some do not care for music at all.

Similar interests may be "conflicting" or "common."

Conflicting and Common

Two people have conflicting interests when they both want the same thing under such conditions that if one gets it the other can not have it. The interests of men on the collection stage are practically all conflicting. They all want the same nuts or berries, and what one gets the others can not have. Conflicting interests tend to create rivalry and hostility, to set men against each other, and to drive them apart.



A, B, C, D, E, and F are members of the same community Their relationships with reference to different interests are shown in this diagram

Common interests exist when several persons want the same thing under such conditions that if they get it, they all benefit together. Common interests tend to draw men together, to create community of action; they form the basis of a

true social organization. We have already seen how the hunting stage marked a step upward in social growth because all the men of a given group had a common interest in catching big game. When the elephant had once been captured and killed by united effort, all the hunters profited by the result. Again, we may think of a group of primitive men who had learned about fire but had none. Near by was a great volcano from which fire could be secured by great effort and risk. The group would have a common interest in organizing an effort to secure fire and in keeping it after it was secured. Such an effort would have the effect of creating sympathy and of binding the members of the group together.

Conflicting and common interests often get tangled together in the most complicated sort of way. Our modern life is full of such cases. Take, for example, an interscholastic athletic meet participated in by three schools. In each event each school enters two men. There are prizes for the winners in each event, and a cup for the winning school. These are all objects of desire for each of the contestants. With reference to the prizes there are conflicting interests among all the individuals, even between two members of the same team. Each boy wants the prize for himself and will do his best to defeat all the others. With reference to the cup, there are conflicting interests among the schools but common interests among the members of each team. With reference to the meet itself, there is a common interest among all three schools, without which the meet could not be held at all.

Adjustment

One of the first lessons to be learned from social science is that conflicting interests often have to be harmonized

for the sake of a greater common interest. The man who insists on thinking only of his own individual interests may block some great community enterprise to the detriment not only of the others but of himself also.

Basis of Progress

It will readily be seen that people who have strong common interests will naturally be bound together into closely united groups. The groupings which we recognize in a highly civilized society such as we have here in the United States are determined by the interests that different individuals have in common. So important are these interests that we often speak of the group by the name of its interest. Thus we speak of the "oil interests," meaning the group of people who are bound together by a common interest in the success of the oil industry. We speak of the "railroad interests," the "copper interests," the "labor interests." Within these large interest groups there may very likely be smaller groups whose interests are conflicting among themselves, as the "Standard Oil interests," the "Sinclair Oil interests," etc. The trust movement is largely an effort to do away with these conflicting interests among the members of a large, common interest group.

Interest Groups: *Economic*

The examples we have given so far have been of an economic character. There are many other groupings due to other sorts of common interests. People who desire to worship God in a particular way will be drawn by their common interests into religious sects and denominations, such as the Methodists, Episcopalians, or Roman Catholics. Within these groups, also, there are smaller groups with conflicting interests. "Church rows"

Varied

are by no means unknown. These may have to do with minor matters of doctrine, with the kind of hymn books, with the dress of the clergyman, or any of the thousand and one desires which are associated with the great religious interest. So there are tennis and golf clubs for those who have common interests in sports, orders of Masons, Elks, Moose, etc. for those who have common interests in fraternal associations, to cite two from the many examples. The more civilization progresses, the more numerous and complicated become the interwoven interests of human beings and the resulting groupings and the more need there is for a social science which will help men to understand how to harmonize differences and promote peace and welfare.

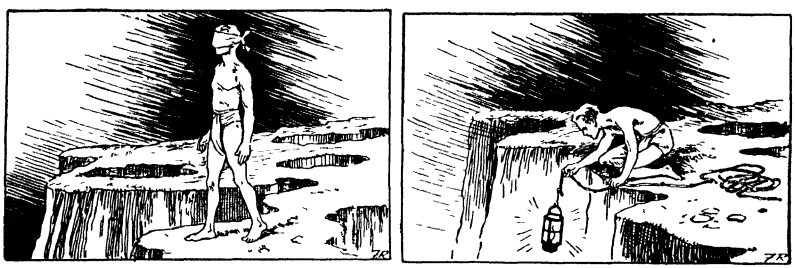
Contrasted with similar interests are what may be called "diverse" or "divergent" interests. People have divergent interests when they require different objects to satisfy their desires. Divergent interests are not likely to lead to rivalry, but neither do they lead to community of action. There was once a very famous controversy between two explorers, each of whom had a powerful desire to be the first man to reach the North Pole. This was a case of similar interests. If one of the men had been seeking the North Pole and the other the highest mountain peak in central Africa, their interests would have been divergent, there would have been no controversy, and the newspapers would have missed a lot of interesting copy.

Divergent

One other feature of the definition of an interest needs to be clearly understood. You will recall that it was stated that the relationship is between a person and an object

which he *believes* will satisfy desire. The element of belief is essential. In the pursuit of satisfaction for our desires we are guided entirely by our beliefs. Every voluntary, or willed, act of any one of us has a belief back of it. Our belief may be in accordance with fact, or it may be entirely mistaken. This makes no difference in our conduct as long as the belief is there. If a boy sees some apples at the top of a tall tree and believes that they are sweet and juicy, he will climb the tree

Belief Determines Interests



Education helps us to find out useful facts and avoid the dangers of following blind belief.

to get them. The fact that they are really bitter and uneatable does not restrain him in the least. The person who believes that it is unlucky to sit down when there are thirteen at a table will not do so if he can possibly help it. The country girl who believes that she will be happier in the city will make every effort to get there, in spite of the fact that in reality disappointment and suffering may await her there. This makes it clear how very important it is that our beliefs should be correct, that is, in accordance with fact, so that our interests may be directed toward objects which will really bring happiness. It emphasizes the tremendous importance of education in modern life.

Let us now try to see how some of the most important of the noneconomic interests have arisen or have been developed into distinctly human forms.

Development of Human Interests:

You will recall that, when the number of men living in man's original home in central Asia had increased to the point where no more could be supported in that area on the basis of the economic arts that man then possessed and the human species was faced with the possibility of having to submit to a stationary population like the lower animals, a solution was found in the expedient of moving out of this original home into other environments and adapting the human type to suit the requirements of each different environment. You will understand, of course, that neither the movement nor the adaptation was conscious and deliberate. Men at this time were but little removed from the instinctive plane. They moved from one district to another because they could find food in the latter and not in the former. They adapted themselves to the new environments by the wholly unconscious process which the biologists call *natural selection*. This simply means that those individuals who chanced to be born with some slight peculiarity which helped them to live in the new environment would stand a better chance of surviving than their fellows who did not have this peculiarity. Their children would be likely to inherit these traits, often in an intensified form, and so be still better fitted to survive and to move still farther into the new environment. Given a sufficient length of time very sweeping changes can be produced by a gradual process of this sort.

Natural Selection

We have seen that one of the chief results of this com-

bination of movement and adaptation was the formation of the great primary races of man. There are five of these, and each of them is supposed to have been formed by a gradual adaptation to a great section of the earth's habitable surface. The Mongolian race has its original habitat in central Asia; the Malay, or brown, race, in southeastern Asia and the South Sea Isles; the Negro race, in central Africa and Australia; the Caucasian, or white, race, in northern Africa and Europe; and the Red Indians, on the American continents. It would be wonderfully interesting, if we had the time, to trace the routes over which these great movements passed. It would also be very interesting to know, if we could, just why each physical type is adapted to its own environment. On this latter point there is nothing like complete information. One thing, by way of example, which seems to be well established is that the heavily pigmented skin of the negro is needed as a protection against the damp heat of the tropics. We may assume that there was some corresponding advantage in the other physical traits of each race, even though we do not understand what it was.

Racial Adaptation

In addition to natural selection there was another force at work at the same time to produce this differentiation between races, which is closely connected with the principle of interests. This is what we call *sexual selection*. This works somewhat as follows: As each group began to develop physical traits of its own, these traits would naturally come to be thought of by the members of the group as right, proper, or beautiful. Suppose, for example, we try to imagine the time when the light-haired branch of the white race was just beginning

Sexual Selection

to develop. Lightness of hair would come to be regarded as beautiful and would become an object of desire on the part of men seeking mates, and of women too in so far as they had any choice in the matter. Therefore, on the whole, the lighter-haired men and women would be more likely to mate and to mate oftener than the dark, and since this trait is heritable the tendency would be for each generation to become slightly lighter-haired than the preceding. An interest in light hair would therefore, in time, help to produce a light-haired group.

Isolation

In order that these race differences should be developed it was necessary that the groups should be pretty completely separated from each other; in other words, that the factor of isolation should enter in. This was actually the case In these early stages of



Man in his early movements had to overcome many natural obstacles.

man's development he had practically no means of travel or transportation besides his own legs. Travel over long distances was impossible, and many natural features, such as mountains, deserts, forests, bodies of water, were great obstacles to his movements. While in time he managed to

overcome some of these obstacles as an alternative to starvation, there was no inducement to go back over them again. And as the groups became adapted to really different environments, it became physically impossible for them to wander far from their new homes. There was accordingly a long period, extending over many tens of thousands of years, which we may think of as the period of race formation. During this period there were developed not only the five primary races but a great number of subgroups, also often called races. Each of these subgroups had physical characteristics which marked it as belonging to a certain one of the primary races and also special peculiarities of its own which no other subgroup had. The most striking differences in these subgroups are found among the different branches of the white race. Although this is called the white race, there are all shades of skin to be found from the very pale skin of the Scandinavian to the skin of the North African Berber, which is almost as black as a negro's. In the color of the hair, there is every variety from the "towhead" to the glossiest jet black. So in form the hair varies all the way from perfectly straight to very curly. There are also great variations in height, weight, etc. Yet in spite of all the variations, there are certain basic similarities which indicate that all these subgroups are members of one great race.

Development of Mental Equipment:

Now while these racial divisions were being developed man was steadily improving in intelligence and knowledge, which, as you know, are two very different things. Intelligence is the power or capacity to know. Knowledge is the accumulation of what actually is known. One's intelligence depends

upon how good a mind he inherits from his parents. His knowledge depends on what opportunities he has to use his intelligence and what use he makes of those opportunities. If a baby, born of highly intelligent white parents, should be stolen by a barbaric African tribe and brought up as one of their own, his intelligence would be as good as ever, but his knowledge of white men's civilization would be entirely lacking.



Animals can be trained, but their intelligence is inferior to that of a young human child.

Primitive man's improvement in intelligence was just one part of the development which he experienced through the process of natural selection. His brain became better, just as his arms became shorter, his legs longer and stronger, his posture more erect, his forehead straighter, his jaw less projecting, his body less hairy, his hand more flexible. All of these things developed in him because they were advantageous in his struggle for a living. And the greatest advantage of all, the thing that set him definitely apart from all the other animals, was his growing intelligence. At the same time his knowledge grew. This growth was due to two things: first, to the improvement in intelligence itself which made knowledge possible; second, to the piling up or accumulation of knowledge from generation to generation. Knowledge is something which can be kept,

Growth of Knowledge

stored up, made available for any person whose intelligence is good enough to use it. While it is true that knowledge can never rise higher than the intelligence of man, it is equally true that the most intelligent man in the world would never know very much if he had to find out everything for himself. Knowledge is a great social heritage, an unpayable debt which each generation owes to all the generations that have preceded.

One very remarkable product of this combination of intelligence and knowledge is language. This probably more than any other single achievement has made human civilization possible. For civilization is based on the communication of ideas, and without language no such communication is possible. There could be no society at all without some form of communication. Now we believe that the roots of human society run far back of the birth of the human species. Many species of animals are gregarious, that is, they live in herds with some degree of interdependence and community of action. There is little doubt that in his biological evolution man is descended from some earlier gregarious species. It follows that the lower animals must have some elementary means of communication. This we find to be true. It is stated that "fowls and doves have twelve different sounds, dogs fifteen, horned cattle twenty-two, while the vocabulary of the unlearned man does not consist of more than three hundred words. The language of apes, who chatter unceasingly, quarrel, and play pranks on one another, is composed, according to Garner, of twenty sounds, supplemented by countless gestures and lively mimicry." So man inherited his habit of communication from

Language: *Origin*

his prehuman ancestors. But the impressions communicated to each other by animals can hardly be called ideas and certainly not thoughts. True language is distinctively a human possession. There is as wide a gap between it and the primitive sounds of the lower animals as there is between our most wonderful machines and the clumsy use of sticks and stones by the apes.

Not only is language necessary for the communication of thoughts, but it is necessary for thinking itself. You can not think except in words. Thought and language are inseparably related. Language can not grow without thought, and thought can not grow without language. We will not stop to trace the very interesting steps by which human language has grown from the simple animal sounds to its present complexity and refinement. For our present purposes the important thing is to observe that language is an absolute prerequisite for social organization and that lack of a common language is one of the most serious barriers against effective social intercourse.

Necessity

The improvement in intelligence and increase in knowledge on the part of early man was accompanied by a change from instinctive reactions to willed conduct based on thought and reason. At the same time man's feelings and desires became more numerous and varied, and his interests correspondingly diversified. All of this is a part of what we call civilization, or culture. The history of civilization is largely a history of new human desires and new efforts to meet these desires.

Growth of Desire

Just as each isolated group of men developed its own

physical racial traits, so it developed its own civilization, or culture. Each local culture was distinguished by peculiarities in the desires of its members and more especially by differences in the way in which desires were gratified, that is, in interests. The basic desires are very similar among all human beings. Hunger, presumably, is much the same thing among all races of men. But the ways of gratifying hunger differ indescribably. To the Eskimo, hunger suggests blubber; to the Chinese coolie, rice; to the digger Indian, wild roots;

Variety of Gratification



Hunger means different things to different people

to the American boy, pancakes and mince pie. The desire to be clothed consists of only two or three essential elements all over the world: protection from the elements, decoration, and propriety, or decency. But the methods of gratifying this desire are so various that great volumes have been written describing them. The religious impulse is fundamentally the same among all men; but the ways of gratifying it are innumerable.

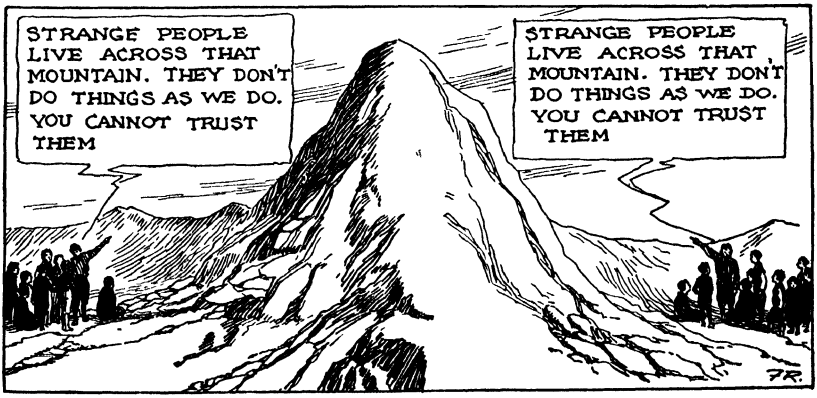
Thus each group tended to develop its own special ways of gratifying the ordinary human desires, to say nothing of means of gratifying its own peculiar desires. Since many of these desires — more and more as man rose in civilization — involved common interests, the ways of gratifying them came to have a social signifi-

Folkways

cance. They became the concern of the whole group. Little by little certain ways of doing things came to be accepted as the best ways. And the best ways in time came to be thought of as the proper or right ways. Any other way was considered not only foolish and improper but very likely actually immoral or wrong. Ways of doing things which are characteristic of a certain group of people and are associated with ideas of propriety or right are called *folkways*, or sometimes *mores*. The folkways of a group include practically all the interests of life.

Provincialism

It is a striking thing that, as a rule, the more isolated a group is and the less opportunity it has had of comparing its folkways with those of other groups, the more convinced it is that its ways are the only right and proper ways and that all other ways are



Lack of acquaintance develops a provincialism which is a barrier to understanding and confidence.

absurd or immoral. Numerous tribes have carried this notion so far that the name for their own tribe is identical with the word for "men." If you ask them, "What tribe

is this?" they reply, "We are the Men;" — all other tribes are not even men at all. As the centuries and the ages roll by, these ideas become more and more firmly fixed. It becomes incredible that any other people should think of doing things in any different way. As long as the groups remained isolated, this "provincialism" did no particular harm. But when the time came, as it did with the growth of civilization, that various groups began to be brought into contact with each other, the differences in folkways were a serious obstacle to understanding and coöperation among the groups.

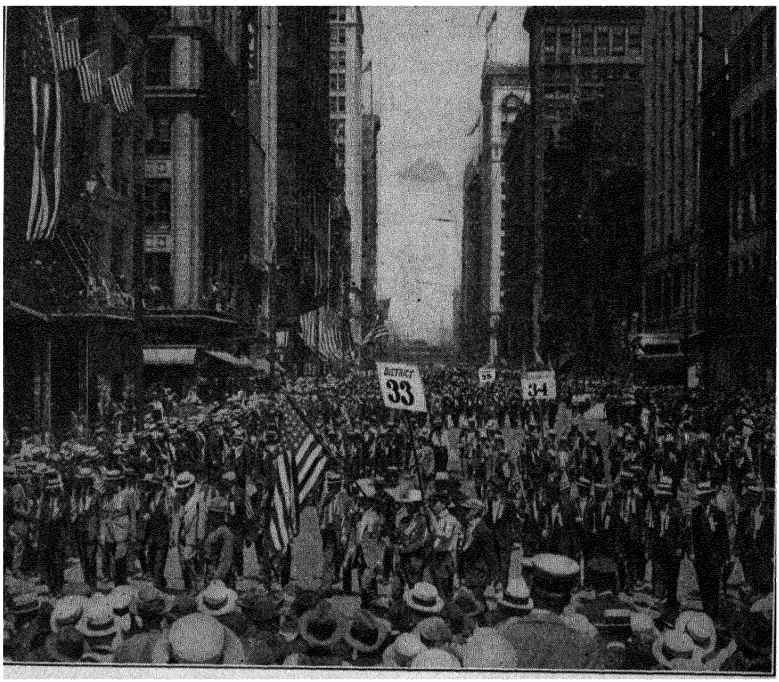
Patriotism

A group of people, uniting in the pursuit of common interests and bound together by the acceptance and practice of the same folkways, inevitably develops a feeling of sympathy and understanding among its members. Of course, there are always private rivalries and misunderstandings between individuals. But each individual has a genuine fellowfeeling for each other member of the group and a distinct love or loyalty for the group as a whole. However much he may wrangle with his neighbor over personal matters, when it is a question of his group against some other group, personal differences are put to one side, and all unite in defense of the common interests. This group loyalty is what we call *patriotism.* It is a natural product of social evolution and has been a most useful factor in the growth of civilization through its encouragement of community action.

Nationality

It will help us to grasp the importance of the folkways just to enumerate some of the interests which are involved. Among the more important are the following: the economic arts, religion, the family, the relation between husbands and wives and between parents

and children, food, dress, education, recreation, the political organization, ornamentation, language, and the moral code. Some of these things will be discussed in detail later. Just



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Any great national movement shows what a great hold patriotism has.

now, the important thing is to realize that with respect to each one of them, every separate group develops definite and rigid customs, ideas, and ideals, which acquire a tremendous hold upon its members. It is very difficult for any one of us to realize how important these interests are in our own lives or how powerful is the force with which they

bind us to others who believe and act in the same way. Unfortunately there is no very satisfactory word to describe a body of common beliefs, customs, and ideas of this kind. The best single word is " ." We say that people belong to the same nationality when they are bound together by similarity and agreement with reference to the important folkways. Sometimes we say that such a group of people *is* a nationality. If you will stop to think you will realize how much of your happiness depends upon living among people of your own nationality, though you can not fully appreciate it unless you have tried to live in the midst of people of a different nationality.

Race Traits and National Traits

We see, then, that the different racial groups and the different nationalities developed at the same time and under much the same conditions. This fact has led to an unfortunate confusion which it is important to clear up. Many people think of race and nationality as the same thing and use the words as if they were synonymous. In fact, they are wholly distinct and separate things. Every group of people has both race and nationality. Because they are both the result of evolutionary development under conditions of isolation, each isolated racial group has a nationality associated with it and in many respects peculiar to it. Moreover, race, as we have seen, is a matter of physical inheritance; nationality is a matter of social inheritance, that is, of education, imitation, and association. Each one of us gets his racial traits directly from his parents and can not get them in any other way. Nothing that we do during our life can change our racial traits, and we can not pass on to our children any other racial traits than those which we have

received from our parents. Race is an unbroken stream of qualities passing on through physical inheritance from generation to generation. Our nationality, on the other hand, we get from the people we associate with. Because in early life we associate more with our parents than with anybody

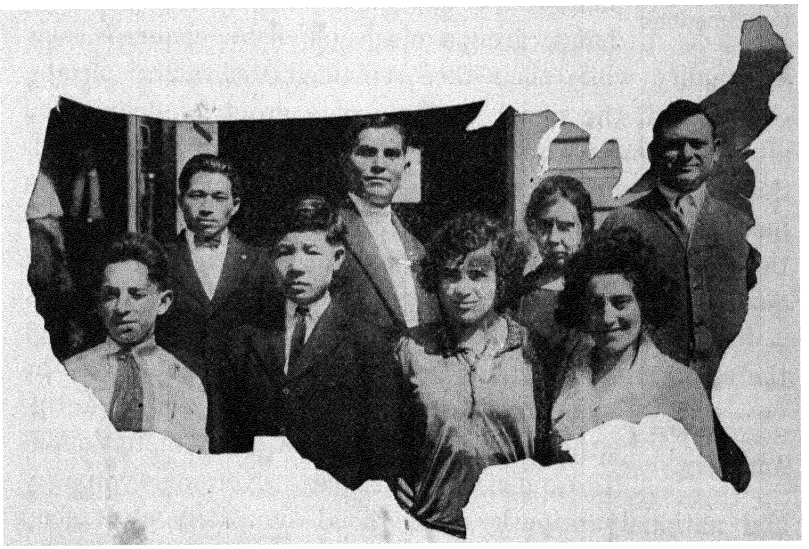


Photo by Underwood and Underwood

Many races have united to form the American nationality, as this picture, taken at the Americanization School at Washington, suggests.

else, we get our national traits primarily from them. But we get them in an entirely different way from our physical traits. The white child stolen by a tribe of African savages, of whom we spoke previously, would inevitably have the nationality of his captors if he was taken young enough. He would speak their language, eat their food, follow their religion, wear their clothes, and so on through the entire list. But to his dying day he would have the racial traits

of his parents, and if he should mate with one of the Africans, his children would have a mixture of white and negro racial traits.

Combinations

So in the case of groups of people, race and nationality do not always go together by any means. The record of mankind is full of cases where, on the one hand, groups of people have changed their nationality while their race remained the same; on the other hand, the racial make-up of a group of people has altered entirely while the nationality remains unchanged. Some nationalities include two or more races; some races include several nationalities. For example, the Swiss nationality includes three distinct races, while the Anglo-Saxon race includes a number of different nationalities.

Sympathy and Antipathy

Just as there is a bond of sympathy between members of the same nationality, so there is between members of the same race. There is also a correlative antipathy between members of different nationalities and of different races. National sympathy and national antipathy, and racial sympathy and racial antipathy (often wrongly called "race prejudice") have played, and still play, an enormous part in the affairs of men. Sometimes national sympathy and racial sympathy work together, sometimes they are arrayed against each other. When a group is bound together by both racial and national ties, its community sympathy approaches the maximum. Sometimes racial sympathy overmasters national sympathy; sometimes it is the reverse.

These conditions are of especial importance here in the United States where we are trying to maintain one great nationality in spite of a wide diversity of races among

An American Case

our people. The most striking and important racial division among the American people is that between the whites and the negroes. When the country is in danger, as in the case of the Great War, national sympathy becomes supreme, and all races unite in the common enterprise. But in ordinary times, to our great shame, racial antipathy often becomes the dominating force.

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QUESTIONS

1. Define interests. Name some of your chief interests.

2. What are common and conflicting interests? Give examples of the harmonization of conflicting interests in your own experience.

3. What do we mean when we speak of the "oil interests," the "agricultural interests," etc ?

4 Explain the relationship of belief to interests.

5. What chief interest led men to move out of their original habitat?

6. Explain how racial traits were developed.

7 Why was isolation necessary in order that separate races should develop?

8. Explain the difference between knowledge and intelligence.

9. What are folkways? Name five important folkways of your own society.

10. What is patriotism?

11. Explain the difference between race and nationality.

12. Name five groups in your own society which are based on economic interests; five which are based on religious interests; three which are based on political interests; three which are based on recreational interests.

13. Explain the processes of natural selection, adaptation, and sexual selection.

14. Give examples of national antipathy and national sympathy, racial antipathy and racial sympathy in the United States.

TOPICS FOR FURTHER STUDY

The influence of sectional interests on American politics. (Turner, Frederick J., "Sections and Nation," *Yale Review*, October, 1922.)

Marx's theory of class struggle. (Cross, Ira B., *Essentials of Socialism*, pages 40–48.)

Giddings' theory of consciousness of kind. (Giddings, Franklin H., *Principles of Sociology*, pages 16–20.)

CHAPTER V

Expectation and Conformity

We can now begin to see how tremendously complicated modern community life is and to realize the truth of the statement made at the beginning that the organization of modern society is much more wonderful than that of the most intricate machine. Here we have men, each with a multitude of desires and interests of his own, living together in orderly communities. Among the various members of the community some interests are conflicting and some common. These interests bring them into a wide variety of subgroups, which overlap and cut across each other in the most complicated sort of way. With reference to his next-door neighbor a man may have common interests in religion, music, and education, conflicting interests in politics and business, and divergent interests in sports. If we think of the community as a circle and of the subgroups as smaller circles of different sizes, we would find these smaller circles intersecting in a manner too complicated really to be represented in a diagram.

Complex of Interests

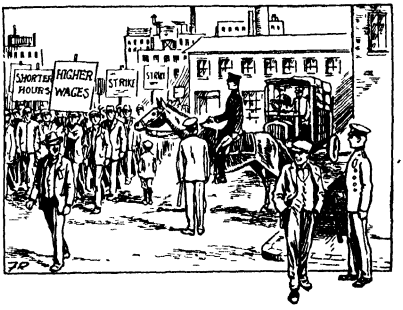
Yet the life of the community moves on, ordinarily, in a smooth, orderly fashion, with little evidence of friction or interference. Only occasionally do conflicting interests produce some spectacular upheaval such as a strike, a church split, or a race riot. The reason for this orderliness is that through the long ages of

Normality

social development men have gradually worked out social arts — the arts of living together — which are more or less unconsciously recognized by all the members of the community and accepted as guides of conduct. As we have seen, these arts will not be entirely the same in any two communities. But within each community there are adjustments and standards which keep the whole organization in regular movement. Any condition or factor in a community which helps to produce smoothness, continuity,



Cooperation is normal



Strikes are abnormal.

and regularity of movement, that is, which is consistent and harmonious with other conditions, we speak of as *normal.* Anything which produces friction, checks movement, and impedes progress, anything which is inconsistent and inharmonious, is called *abnormal.* It is clear, then, that in social affairs the idea of normality can not be separated from a given community. A thing is normal only in association with the community to which it belongs. It might be wholly abnormal in another community. It is normal in a Mohammedan community for a man to have four wives. Their whole social system revolves around that idea. In this country only one wife is normal. In this

country it is normal for boys and girls, young men and young women, to have a great deal of freedom in their association with each other. In Italy our customs would be wholly abnormal. This will make it clear that normality is not at all the same thing as morality or goodness. On the whole, it is a broader idea. Normality has to do with social efficiency, which requires certain standards of goodness or morality. Neither is normality the same thing as the ideal. The ideal is always something unrealized, something in the future. Something which is ideal, that is, which will be good when we get it, might be very disastrous if it were introduced suddenly, before the community was prepared for it. We work toward ideals gradually, and the conditions of normality change on the way. For example, there are people who think that it would be a good thing to have a national prohibition of the use of cigarettes. This (in their minds at least) is an ideal. Perhaps sometime in the future it might really be beneficial. But it would certainly be a calamity if it were introduced before the community is ready to receive it.



Mankind is always struggling upward toward ideals.

Normality of conduct on the part of the members of a community is absolutely necessary for the orderly functioning, even for the very life, of the community. We have had several examples, and we shall see more fully as we go along how very closely the welfare

Expectation

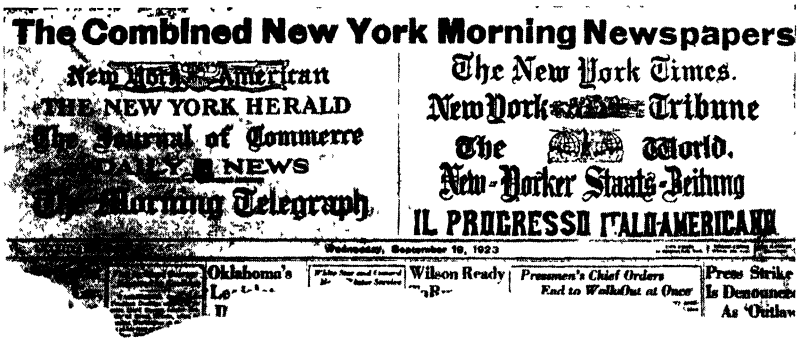
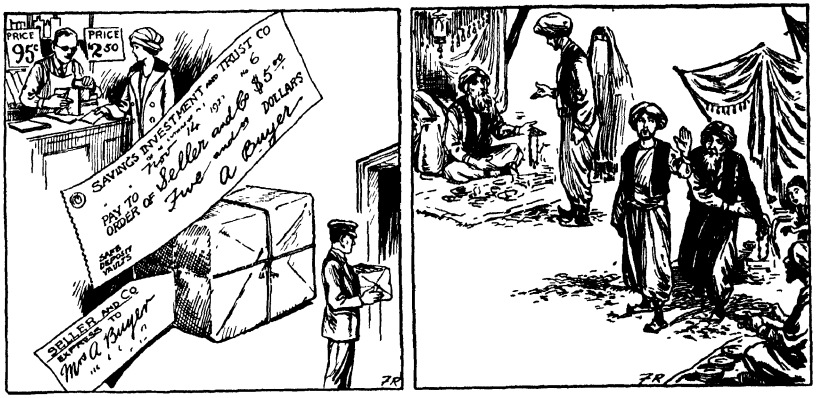

The Combined New York Morning Newspapers
New York American
THE NEW YORK HERALD
The Journal of Commerce
DAILY NEWS
The Morning Telegraph
The New York Times.
New York Tribune
The World.
New-Yorker Staats-Zeitung
IL PROGRESSO ITALO-AMERICANO
Oklahoma's
Wilson Ready
Pressmen's Chief Orders
Press Strike
Is Denounced
As 'Outlaw

Photo by Underwood and Underwood

During the outlaw strike of the New York pressmen, the newspapers combined in this abnormal fashion

of the community, and of each member of the community, is bound up with the behavior of every individual in modern civilized societies. To secure this result society has developed several powerful forms of pressure, or *sanctions*, to induce men to behave in a normal manner. This pressure is so successful that the great majority of mankind does act normally almost all the time. So general is normal conduct that both as individuals and as social groups, we take it for granted and expect it from everybody. This *expectation of normality* is one of the strongest forces in society and one of the foundation stones of the whole social organization. The whole life of a modern community rests solidly upon it. Let us take a simple example. You decide some morning

that you need a new pair of shoes. You get on a trolley car and give the conductor a dollar bill, from which he takes your fare, returning to you the change. You go to a store, pick out a pair of shoes which suit you, ask to have them charged and delivered. When the bill comes at the end of the month, you send a check and regard the transaction as finished. In this simple, everyday series of



In western civilized societies bargains are quickly and conveniently accomplished on the basis of conformity to expectation. In eastern countries every bargain is a matter of haggling.

occurrences there are cases of expectation and "conformity" almost too numerous even to mention. You expect the motorman of the trolley to run carefully and according to rules, and he does. The conductor accepts your bill without a thought of its being a counterfeit and in full confidence that a crumpled, dirty piece of paper is worth the amount printed on it because the Government stands back of it. It never occurs to you that he will not give you back your change correctly, and it does not worry you that the metal in the quarters and nickels is not worth anything

like the face value of the coins. You buy the shoes on the basis of their appearance and expect reasonably good materials and workmanship. You trust the dealer to send them to the correct address, and he trusts the delivery boy to do the same. The dealer expects you to pay the bill when it is presented, you expect the bank to honor your check, and so does the dealer. These are only a few of the instances of expectation and conformity involved, but they are enough to show how impossible it would be to carry on modern life if practically everybody did not conform to expectation.

By this time very likely you are saying, "This is a silly example. Of course all those things come out that way."

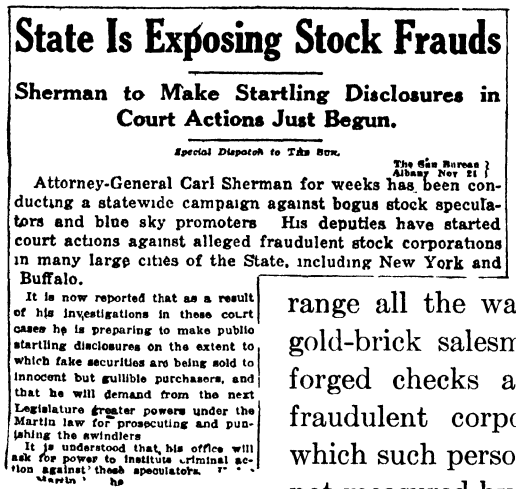
Conformity

Now it is just that *of course* which is the important element in the situation. In a majority of cases so great as to be almost a totality, expectation is justified by conformity, and so we say, "Of course." But all this does not just happen. It takes place because of the marvelous, effective organization of which we are a part and because of the powerful forces which work unceasingly to keep this organization working smoothly. If you have any doubts of the truth of this statement, just take your American expectations and standards to some less highly organized country — Turkey, for instance, which is by no means uncivilized — and see how much conformity you find. Give a five-dollar gold piece to the boatman who takes you ashore from the steamer and then reckon up the actual value of what he gives you in change. Or buy something from a shopkeeper in the bazaar at the price he asks you and then find out what a fair price would really have been. The normal standards of expectation and

conformity are very different in Turkey from those in the United States. How much more different must they be in uncivilized or savage communities!

The expectation of conformity is so general and normality is so much taken for granted that it becomes extremely profitable for persons who are not restrained by the ordinary sanctions of society to engage in abnormal behavior. They play upon the trust and expectation of the community and thereby enrich themselves. They are, in a literal sense, "confidence men," because they play upon and abuse the confidence of the public. Persons of this kind range all the way from the ordinary gold-brick salesman to the passer of forged checks and the promoter of fraudulent corporations. The injury which such persons cause to society is not measured by the actual loss which they bring to their victims; it far exceeds that. The greatest evil which comes from such transactions is the weakening of public confidence which they cause. If any large proportion of the population of a society begins to act in such ways, the whole organization of society breaks down, and the community drops down to a lower level of existence. We have recently had a striking example of this

Nonconformity



State Is Exposing Stock Frauds

Sherman to Make Startling Disclosures in Court Actions Just Begun.

Special Dispatch to The Sun.

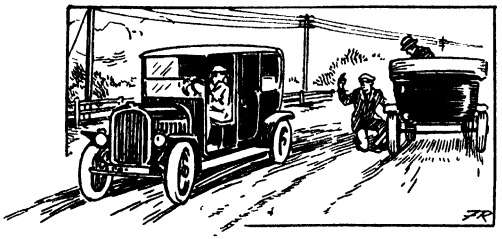
The Sun Bureau
Albany Nov 21

Attorney-General Carl Sherman for weeks has been conducting a statewide campaign against bogus stock speculators and blue sky promoters His deputies have started court actions against alleged fraudulent stock corporations in many large cities of the State, including New York and Buffalo.

It is now reported that as a result of his investigations in these court cases he is preparing to make public startling disclosures on the extent to which fake securities are being sold to innocent but gullible purchasers, and that he will demand from the next Legislature greater powers under the Martin law for prosecuting and punishing the swindlers

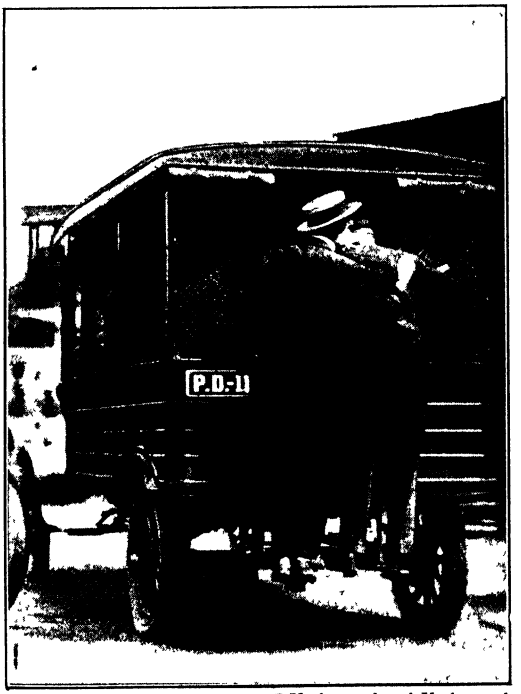
It is understood that his office will ask for power to institute criminal action against these speculators. Mr. Martin has

Fraudulent promoters and other confidence men weaken the very foundations of society



Anti-social persons sometimes take advantage of high social standards for selfish purposes.

truth here in the United States. One of the fundamental folkways or standards of civilized communities is that their members are always ready to go to the aid of any one who is in trouble or distress, whether they have ever seen him before or not. Trading upon this expectation a large number of anti-social individuals have recently adopted the scheme of pretending to be in distress in order to bring into their power kind-hearted individuals whom they thereupon rob. One of the commonest forms of this scheme is to try to stop automobilists on lonely roads, either by pretending injury or by simply asking for a lift. The thing has gone



©*Underwood and Underwood*

This man has failed in his obligations to society and is being deprived of his liberty.

so far now that really kind-hearted people in fear of a plot will often drive right by an apparently suffering person. If this practice becomes general, the level of our civilization will be lowered to a serious degree.

It naturally follows that society punishes conduct of this sort or at least would be justified in punishing it, not on the basis of the injury occasioned to the individual victim, but the injury caused to society itself. It will help us to weigh correctly the gravity of various forms of anti-social conduct, some of which are not even criminal, if we bear in mind always their effect on the maintenance and working of the social organization.

Penalties

REFERENCES

FAIRCHILD, HENRY P., *Outline of Applied Sociology.*
ROSS, EDWARD A., *Principles of Sociology. Social Psychology.*
SUMNER, WILLIAM G., *Folkways*

QUESTIONS

1. What is meant by the statement that modern social life involves a complex of interests?
2. Define normality in society Name five normal features of the school organization to which you belong.
3. What is an ideal?
4. What is meant by expectation?
5. Explain the relation of conformity to social stability
6. Why is the temptation to nonconformity so strong? Give five instances of serious nonconformity in the United States taken from the recent daily newspapers.
7. Name some instances of conformity on the part of other people which have helped to make your life pleasant and safe to-day.

TOPICS FOR FURTHER STUDY

The rôle of imitation in [illegible] social uniformity. (Ross, Edward A., *Social Psychology*, pages 121–145, 196–215.)

CHAPTER VI

Development of the Family

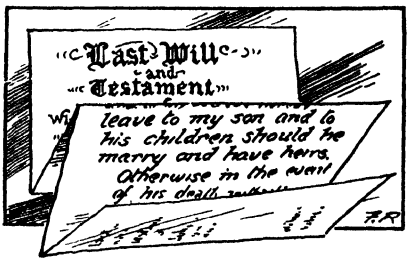
We have seen how the complicated organization of modern society has grown up out of certain basic desires which are practically identical in all men. These desires have led to similar interests which have been partly conflicting and partly common. So long as the conflicting interests predominated, there could be no real social organization. Gradually the common interests began to preponderate. Conflicting interests still remained but they were subordinated to the common interests for the sake of the greater good of the individual himself. So genuine communities began to develop.

We have seen that among all these desires and interests the fundamental ones have been the economic, those connected with the self-maintenance of the individual and the group. We have now to consider another set of desires and interests, which are just as important and have much the same relation to the life of the species that the self-maintenance interests have to the life of the individual. These are the sexual, or reproductive, interests. They are essential to the continued life of the group. Without them the species would die out in a generation. So we speak of them as the *self-perpetuation* group of desires, interests, and activities.

Self-perpetuation

Mating Instinct

The primary fact with reference to this group is that man, as an animal, belongs to that class of organisms in which reproduction is accomplished by the union of two distinct sexes. This process of mating being a necessity of the species, there is a corresponding natural instinct with its attendant desires and interests. It is important to recognize that as far as the instinct itself is concerned, there is no consciousness of the final consequences of the union. When speaking of animals it would be more correct if we spoke of the "mating instinct" instead of the "reproductive instinct." For the lower animals know nothing about reproduction. They have no advance idea of offspring. The instinct, the desire, and the interest are concerned with sexual union and go no farther. The desire for offspring is probably entirely nonexistent among animals. The forms which the self-perpetuation desires, interests, and activities take among mankind are distinctly unique, the product of man's acquisition of reason, foresight, foreknowledge, and will.



Consideration for the future of one's offspring is a distinctly human trait.

Two Desires

The most striking result of this situation is that among men we have two entirely distinct desires in the general field of self-perpetuation — the desire for mating and the desire for children. The former is still largely instinctive; the latter probably has nothing instinctive about it at all. The two desires often work harmoniously, but often they are dissociated or

antagonistic. A realization of these facts is a great help in understanding such modern problems as marriage, the family, population, and vice. This situation is not only peculiar to mankind, but it is characteristic of man only in his higher stages of development. Man had climbed a long way up the ladder of civilization before he began to grasp the relation between mating and offspring, and among the less educated classes even in civilized communities the knowledge of the subject is still very limited.

These facts will help us to understand that the social institution that we most naturally associate with the self-perpetuation interests, the family, did not develop wholly, if at all, from the mating instinct. As we have already observed, our knowledge about the original forms of the human family is very fragmentary. There may have been a good deal more of a family organization from the very beginning of the human species than we are likely to think. However this may be, among the earliest forms of the human family about which we have any exact knowledge we find that the self-perpetuation interests are certainly no more important than the self-maintenance interests in the foundations of the family institution. This has already been suggested in our discussion of fire. We saw that the work of caring for the fire was as a rule left to the woman.

Origin of the Family:



The primitive home was where the woman and the fire were.

The "fire-keeper" naturally became the "home-keeper," and the kinds of work which could well be done in one spot around the fire were left to the woman. The man, on the other hand, undertook the activities which required freedom of movement, as hunting, fishing, and fighting. It is clear that these are all economic interests, not sexual.

The original family, therefore, was the result of an arrangement between a man and a woman, or between men and women, whereby the women undertook the stationary activities of life, while the men assumed the roving tasks. From the point of view of the labor involved, the women got the worst of the

Adjustment of Interests



Among primitive peoples knowledge of technical arts belongs mainly to the women

bargain. For while hunting, fishing, and fighting are active and often risky pursuits, they are at least interesting and exciting and not nearly so arduous and wearisome as the drudgery of tending fire, cooking, sewing, and attending to the various household arts. One interesting result of this

situation was that in early times women were the masters of most of the technical arts. They were primarily the bearers of economic civilization.

This primitive family is an excellent example of the subordination of conflicting interests to common interests. Both woman and man agreed to give part of their time to working for the other. Part of the game which the man secured he brought home for the woman to eat; part of the skins which the woman scraped, the garments which she made from them, and the tools which she fashioned went to the man. Each gave up part of what he had accomplished to the other, because in the end both got more in that way than if they had worked independently. This is what we call *division of labor*, and the primitive family is the earliest instance we know of this economic expedient. It was probably these economic advantages which drew men and women into relatively permanent unions much more than the desire for permanency in the sexual interests.

Division of Labor

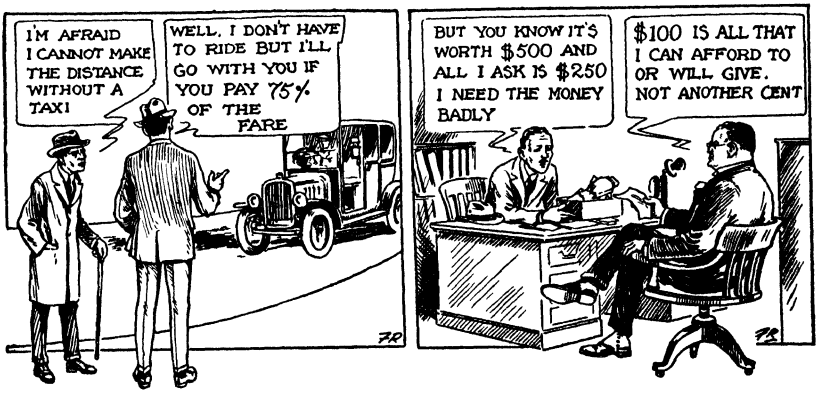
Hence, the family was the beginning of our great economic organization. It also contained the germ of many other social institutions. In fact, it is the primary social institution. Many of the most important social forces and relationships are found in their rudimentary form in even the most primitive family unit. The early family was the nucleus not only of the economic organization but also of the state, the tribe, and nation, and in some respects of the church.

Basic Institutions

The understanding or arrangement by which men and women joined together in the earliest families probably had very little of unselfishness. In most cases of social coöper-

ation involving the subordination of conflicting interests for the sake of the common good, each party gives up only so much of his own personal advantage as is absolutely necessary to secure the cooperation of the other party. The individual interests, though subordinated, are still there. This is why the captains of athletic teams of every sort have so much difficulty in securing effective team play. They are always having

Basis of Adjustment



Except for the force of altruism, the terms of every bargain are the result of the relative power of the parties concerned.

to deal with the temptation to "grandstand play" or at least with the desire of each individual player to get the most possible fun out of the game for himself. The result is that the form that any such social arrangement finally takes depends on the relative strength of the desires of the two parties to have the arrangement made, that is, the comparative benefit which each believes he will get from cooperation. If one party expects to get much more benefit from the arrangement than the other, the latter will be able to compel the former to give up a much larger amount

of personal interests than he does. For example, suppose that two men are taking a walk through a country district. While they are still several miles from home, a severe storm comes up, and they agree that it will be well to hire an automobile to take them home. One man is strong and sturdy and has nothing to fear from the storm except a good soaking. The other is subject to rheumatism and fears a long and painful attack if he gets wet. It is easy to see that the former can compel the latter to pay much more than half the hire of the automobile. And, except for social feelings which are of recent growth, *he would do it.* Social arrangements of this kind are always an index of the relative power of the cooperating parties. This is why they have sometimes been called "antagonistic coöperation."

Relative Gains of Man and Woman

So in the case of the primitive family — and of much more recent forms of the family, too — the terms of the arrangement reflect the comparative benefits which the man and the woman respectively expect to get. The interesting fact is that from the beginning woman has always had more to gain from a regular family arrangement than man had. This is the result of the special burdens which woman's part in the reproduction of the species lays upon her. The necessity of bearing and rearing children lays such handicaps upon her that she has much more to gain from having a man to hunt and fight for her and protect her than the man has from having somebody to work for him. And we must remember that, with or without the family, woman in the early ages of human existence when instinct was supreme would have children.

Let us pause at this point to repeat that the roots of the

family run far back into the prehuman phases of animal existence. So do the origins of many other social institutions. In describing the beginnings of our various social institutions we may very often find ourselves speaking of things which existed before the human species came into being at all. But it is easy to see that for our present purposes this does not make any particular difference. From the point of view of the analysis of social evolution the dividing line between human and prehuman is of little significance. We are trying to understand our present social forms by seeing how they started. If the search for the start takes us further back than the first human beings, it does no harm. Nor does it do any harm if we are not always sure whether some particular situation which we are describing is early human or prehuman. After all, the distinction is a very vague one, and there is no sharp dividing line.[1]

Antiquity of Family

So for countless thousands of years the lot of the married woman was a very hard and painful one. A primitive man simply could not conceive the attitude of the modern civilized man toward his wife. All that can be said is that the lot of the unmarried woman was even worse.

Woman's Lot

We see, then, that the desires and interests which led to the formation of the human family are simple and easy to understand, although they are vital and of the highest importance. They are universal and nearly identical among

[1] It is perhaps worth while to point out that the chief reason for devoting so much time to the study of primitive man, and laying so much stress on the beginnings of institutions, is that the basic factors and significant relationships are so much clearer and more easily distinguishable in a simple form of society than they are in the complex organization of modern societies, just as it is easier to grasp the meaning of the fraction 13/17 than 3887/5083.

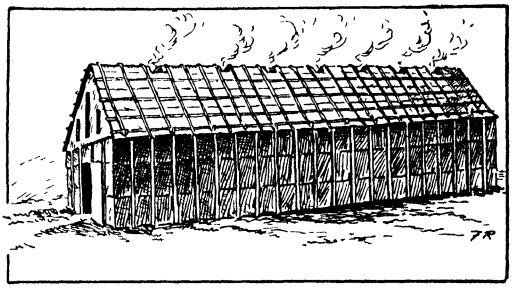
all human groups. But the folkways that different communities have developed to gratify these desires and provide for these interests are varied and complicated beyond description. Whole libraries have been written on the institutions and folkways of marriage and the family among different peoples. All that we can do just now is to examine some of the more important forms or types of family folkways which have been developed in different parts of the earth.

Varieties

We have seen that during the early periods of human existence the range, or habitat, of any group of men was very limited in extent. For many generations individuals would not roam far from the spot where they were born and their parents and grandparents before them. Under such conditions the matings which took place would be between men and women who were related by blood, that is, who had descended from the same ancestors. So each little group of men became a *kin-group*, bound together by whatever group loyalty or patriotism they may have had and also by the recognition of blood relationship. For while, as we have seen, primitive men did not recognize the facts of procreation and reproduction, they did recognize a certain kind of relationship. This was the relationship between the child and its mother. This is a perfectly obvious physical fact which could be grasped by men on the lowest levels of intelligence. The relationship between the child and its father is a very different thing. So the only blood kinship which primitive men could understand was the kinship between mothers and children, and the earliest recognized kin-groups were groups related entirely through the mothers.

Clan and Tribe

Such a group is called a *clan*. The clan form of community organization has been found to exist in many parts of the earth's surface. It was still in existence among the American Indians at the time they were discovered by the white men. As civilization advanced and the knowledge of reproduction grew, the relationship between the father and the child came to be understood, and kinship began to be traced through the males as well as through the females. In time the community grouping came to be determined by relationship through the father instead of through the mother. A kin-group of this kind is called a *tribe*. The clan form of community and the tribe form have often been preserved together, a tribe frequently including several clans. This was the case among many of the North American Indians.



The long house of the Iroquois Indians. The women living in it were all members of the same clan

Clans and tribes are bound together by both ties of blood and community of folkways. As civilization progressed and the community units became larger and larger, the ties of nationality became more and more important, and, except for the broad bonds of race affiliation, the ties of kinship fell more and more into the background. Finally the point was reached among the more civilized groups where blood kinship played no part at all in the large community, and we have the

Nation

modern *nation.* A nation is a group of people with a common nationality which is organized into a self-conscious, self-controlling community. Up to the time of the Great War there were in Europe many nationalities which had not yet achieved existence as independent nations, being held in subjection by powerful military groups. This was particularly true in Austria-Hungary and other parts of central Europe. One of the immediate results of the war was the release of several of these nationalities, who at once attempted to set themselves up as real nations. This will help us to see how our modern, sympathetic group organizations are the direct outgrowth of the primitive family, though eventually they grew entirely away from the family itself. Let us now turn back and look at some of the chief forms which the family institution itself has taken.

Mother Family

With all the burdens and trials which woman had to bear in her earliest family life she had one big advantage. She was a person of great importance. The man had to come back to her. The home revolved around her. While the mother kin-group existed, it was very natural that when a marriage took place and a new home was established, the location of that home should be in or near the original home of the bride. From the very beginning the husband came to the wife. This folkway, it is easy to see, harmonized with the clan form of community organization. A little group of families in a neighborhood would be composed of a number of sisters and female cousins with their respective husbands, who would probably be distantly related but not nearly so closely. This form of family organization is called the *mother family.* Under it the women developed great impor-

tance and authority too, so much so that the social system of which this form of family is characteristic has been called the *matriarchate*, or *mother-rule*, community.

Drawbacks

It is easy to see that this form of family organization was much more pleasing to the women than it was to the men. The married woman was not compelled to leave her home and relatives. She was surrounded by women, young and old, who were bound to her by the sympathy of kinship. The married man was in a wholly different situation. When he entered the married state, he had to leave his old home and his relatives and settle down among a group, the women of whom were all related. The "mother-in-law joke" was no joke to him. He had to deal not only with a mother-in-law but with sisters-in-law, female cousins-in-law, and aunts-in-law on every side. Whenever any family differences arose between himself and his wife (as we are justified in supposing that they did, even in those primitive times), his wife had the support of a whole group of women, while he had to stand alone. In all his conduct he found himself under the supervision of all these women. He had to please not one woman, but a dozen, and if he did not please them he was likely to be turned out of the group rather unceremoniously. In point of fact, exactly this situation was in existence among the Iroquois Indians of North America at the time of the coming of the white men. The characteristic dwelling of these people was the "long house," which was divided up into a number of single rooms, each of which was the home of one of the women of the clan and her husband.

If man had been naturally inferior to woman in his need for a family organization, he would probably have had to

submit to the mother family indefinitely. But, as we have seen, he was not. The benefits which he derived from family life were on the whole less than hers. He was much freer to make unions of a sort not in accordance with the folkways of the group. Little

Father Family



Among primitive people women are chattels Wives are bought, stolen, and exchanged.

by little men began to learn that their married life was much happier if they could get women to come and live with them, away from their own relatives. They discovered two ways of accomplishing this result. One was to steal a wife; the other was to buy her. Experience proved that both of these methods had great possibilities. Gradually, accordingly, the custom grew of men bringing their wives back to their own homes, which naturally were in

the midst of a group of the man's relatives. From the man's point of view this was a great improvement, and as the women had not enough power to check the movement, the new system gradually supplanted the old. As always happens in a case of this kind, whatever is customary eventually comes to be thought of as right and proper. So the practice of taking wives back to the man's home gradually got into the folkways, and received the full support of the social sanctions of which we have spoken. As a result, the balance of power in society swung over to the men, where it has remained ever since. Instead of the *mother family* and *matriarchate* we have the *father family* and *patriarchate*. As the new folkways became well established, the necessity of actually capturing a wife by force disappeared. But it is interesting to note that the forms of capture were kept up long after the actual practice had been abandoned. Among many peoples at the present time the marriage customs include the imitation of a raid on the bride's home by the groom and his friends, with defense and pursuit by the bride's family. Often the bride puts up a great show of resistance. In fact, it is probable that our own custom of throwing rice and old shoes after the bridal pair is a survival of the time when real missiles were used. The purchase of wives is of course still common in many parts of the world.

Wife's Lot

Having thus established his family supremacy over woman, man proceeded to make the most of it. For long ages afterwards the lot of the married woman was marked not only by drudgery and monotony, as it always had been, but by subjection and degradation in varying degrees. She was the chattel, the plaything,

the possession, the beast of burden of her husband. Never in her life did she belong to herself. She was the property of her father until he transferred his rights to some other man. Only the growth of civilization, with the development of new social sentiments, has freed woman from her low estate.

Endogamy and Exogamy

We have seen that among the earliest human groups the matings which occurred were almost entirely between people of the same group, closely related by blood. This system of marriage is called *endogamy*. The practice of marrying outside of the group is called *exogamy*. The course of social evolution has been in general away from endogamy and toward exogamy. It is easy to see that the change from the mother family to the father family favored the establishment of exogamy. Men desiring wives whom they could control as their own would go as far outside their own group as possible. Every nationality includes regulations as to whether endogamy or exogamy shall be the accepted practice and just what forms of each shall prevail. It is probable that the growth of exogamy has been a good thing for the human species from the point of view of physical vigor. It has been conclusively proved that too close inbreeding among animals tends to weaken the stock, and the same is probably true among men. It was also a great advantage from the point of view of the self-maintenance interests. We have seen that primitive women were the chief masters of the industrial arts. The exchange of women between communities tended to spread abroad the special economic achievements of the different nationalities and so to hasten the economic evolution of mankind as a whole.

Hitherto in this discussion of the family institution we have spoken as if each man had only one wife and each wife only one husband. Whether this system, the system of *monogamy*, was the earliest form of the human family we are by no means sure. It certainly is not the only form which human societies have sanctioned in different places and at different times. There are at least two other forms of the family which have had a wide spread. These are polygamy and polyandry. *Polygamy* is the system whereby the folkways support the union of one man with two or more women. *Polyandry* is the authorized union of one woman with two or more men. The former is much more common than the latter. As a rule, polyandry is found only in regions where the conditions of life are so hard that it is impossible to support as large a population as would naturally result from polygamy, or even monogamy. Of course all of these terms refer only to the regular family unions which are in the folkways and sanctioned by society. There have at all times been various forms of matings which were discountenanced, or at least not approved of, by the folkways and hence did not come within the moral code.

Marriage Institutions



In some societies polygamy is still sanctioned.

Society has always been tremendously interested in the family and has surrounded it with more regulations and sanctions than practically any other institution. The chief basis of this interest lies in the fact that the family

Social Interest

is the agency for self-perpetuation, which is the chief interest of society as a whole. Through the family children are not only born but reared and educated up to the point where society itself takes charge of them. The whole future of society therefore depends upon the stability and proper functioning of the family. The family is to-day, as it always has been, the primary institution of society, and the tendency of social evolution seems to be toward monogamy.



Monogamy is the established family system in the most progressive societies.

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WESTERMARCK, E. A., *The History of Human Marriage.*

QUESTIONS

1. What interests and social activities are included under self-perpetuation?

2. In what sense is the desire for children a distinctly human trait?

3. What chief interests led to the formation of the family as a social institution? Which of these was probably predominant in the earliest family institution?

4. In a certain college examination the students were asked to give an example of "antagonistic cooperation." One student answered, "Marriage." Was this answer correct in any sense? If so, explain.

5. Did man or woman gain most from the formation of the family? Why?

6. Define clan; tribe.

7. Explain the difference between a tribe and a nation.

8. It has been said that the change from the mother family to the father family was one of the most important events in all human existence. What was this change, and why was it so important?

9. Define endogamy; exogamy; polygamy; polyandry.

10. Why does society take such a deep interest in the family?

TOPICS FOR FURTHER STUDY

The "Long House" of the Iroquois Indians. (Dellenbaugh, Frederick S. *The North Americans of Yesterday*, pages 200, 210–212, 414. Farrand, Livingston, *Basis of American History*, pages 157–158.)

Tribal and clan organization among the American Indians. (Dellenbaugh, Frederick S *The North Americans of Yesterday*, pages 410–427. Fynn, A. J., *The American Indian as a Product of Environment*, pages 107–128)

Family organization among animals. (Westermarck, E. A., *The History of Human Marriage*, pages 28–38.)

CHAPTER VII

Social Control: Vanity

In the foregoing pages we have spoken frequently of the way in which society secured conformity from its members through certain sanctions, or forms of pressure. We have observed the great hold that the folkways get on the members of each nationality. We have seen how modern communities are marvelously complex organizations which operate with a high degree of smoothness and regularity in spite of the multitude of conflicting interests which are involved. It is time now to examine more closely what these forms of pressure are, why we stick to the folkways so closely, and by what means society secures conformity from the great majority of its members in spite of the continuous temptation to reap individual benefits through nonconformity.

Forces of Control

All of these facts are social facts, that is, they have to do with the voluntary, or willed, conduct of human beings in their relations with each other. Since the acts are voluntary, we must look for some feelings and desires lying back of them. There are, in fact, two main feelings with their attendant desires upon which society relies for the enforcement of conformity. These are vanity and fear. Since these feelings are so important, we must examine them with some care.



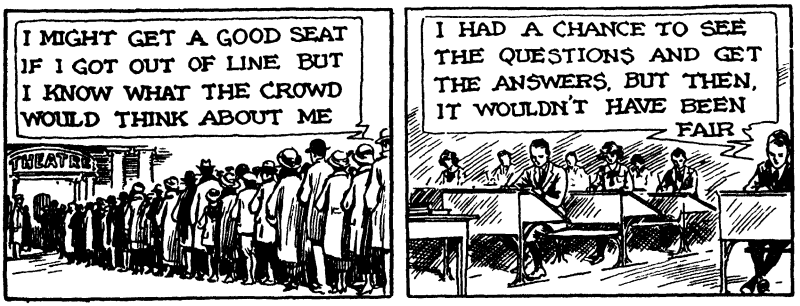
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The modern great city represents the highest development of that complexity which is so characteristic of our social organization.

Vanity, in the sociological sense, is something very different from what we mean in our common use of the word.

Vanity

Vanity may be defined as the feeling, or group of feelings that lead to the desire for a good opinion of one's self. It is no more necessary to seek to explain the origin of this feeling than the feeling of hunger or sexual love. Although very highly developed and diversified in the human species, it runs far back into our animal ancestry. Some of the higher animals seem to be very



The force of vanity helps to keep us from many mean and selfish acts.

susceptible to ridicule. Considered in this sense, vanity is one of the most powerful of all social forces. The more one succeeds in analyzing the motives of his own conduct, the more clearly he recognizes the play of this force. It should be clearly understood that, as we are now using the word, vanity is the *desire* for self-esteem, not self-esteem itself. It may be an ungratified desire. The humblest man in the world may thus have a very high degree of vanity. It is only when the desire is gratified in any individual case that we have the disagreeable, self-satisfied, conceited person who is so familiar. Vanity itself is not discreditable or ignoble, but a natural, useful, and, in fact, necessary force.

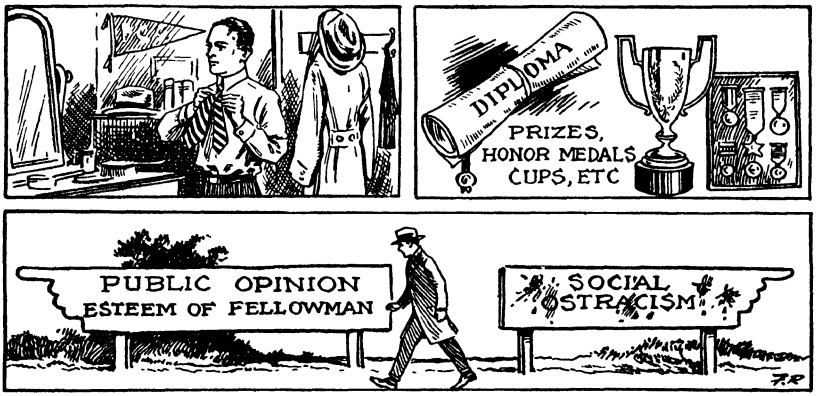
The interests which are associated with vanity have to do with those objects which will bring self-esteem. It follows that conduct actuated by vanity may be either good or bad, according to individual standards of self-esteem. These objects may be of every possible variety. The small boy gratifies his vanity by "licking" a boy bigger than he is; the wealthy philanthropist, by building a beautiful public library; the professional criminal, by "pulling off" successfully a difficult train robbery. There is, however, one nearly universal object of vanity, which in its total effect outweighs all others and upon which society particularly relies in its efforts to secure conformity. This is the esteem, good opinion, or good will of our fellow men, particularly those of our own group. Until this interest is realized, vanity must remain largely unsatisfied. We can think well of ourselves only when we believe that others think well of us. This makes it clearer why vanity is a commendable and useful quality. For we get the good opinion of our fellow men usually by adding in some way to their happiness. The wider the group of men in whose good opinion the individual is interested the more closely will his conduct approach true social service. If the force of vanity had not been included in the make-up of the human animal, real social organization would probably have been impossible.

Objects of Vanity

It will interest you to sit down and try to think how many of your common everyday activities are governed wholly or partly by your desire for the good opinion of the people around you. To mention just a few of them: the clothes you wear, indeed the fact that you wear any clothes at all when not

Power of Vanity

necessary for actual comfort, the games you play, the language you use, the diligence you display in school, the things you dare to do, your avoidance of mean conduct, and your care of your person.



The force of vanity, working through public opinion, governs a great many of our activities, and determines a great many of the goals we strive for.

Civilization and Vanity

It is probably correct to say that the importance of vanity as a social force is proportioned directly to the degree of development of the social organization. When men were living on the collection stage, seeing very little of each other and that little mostly on terms of hostility and competition, they cared nothing for what others thought of them. The feeling of vanity was subordinated wholly to hunger and love. Today, when almost every act we perform has a bearing on the well-being of countless other persons, vanity is an immeasurably powerful force. It is upon vanity that the folkways depend for their efficacy. To be sure, some folkways would probably become established from their pure utility, particularly in the field of the economic interests.

When one member of a group has discovered the best way to do some useful thing, the other members will adopt that method simply from motives of self-interest. The element of morality is less prominent in the economic folkways than in most of the others. But even the economic folkways come in time to have great traditional weight. A provincial community is most suspicious of new ways of making a living. "This way was good enough for my father and grandfather, and I guess it's good enough for me." Even more in the other great interests do the folkways come to have the power of compulsion because of their quality of rightness, propriety, or morality. The individual who acts contrary to the folkways finds that he has sacrificed the good will of his fellow men not only because they think he is foolish — as might be the case in an economic interest — but because they think he is wicked, indecent, or immoral. Consider, for example, the situation of a person who follows the Mohammedan religion in the midst of a Christian community or who practices polygamy in the midst of a monogamous group or cheats at cards among self-respecting players or who goes to a formal dinner in a bathing suit.

Public Attitude

The common attitude of the group toward its folkways is what we call *public sentiment*, or *public opinion*. The former term is more accurate when we are considering matters which are connected primarily with the feelings; the latter, when we are dealing with objects of thought or reason. This tremendous force is round about us continually. Most of the time we are unconscious of it, just as we are unconscious of the pressure of the air upon our bodies or the pull of

gravitation. But let us put ourselves in an abnormal situation of any kind, and its reality is suddenly revealed to us.

Public Sentiment: *Methods*

The force of public sentiment displays itself in a great variety of ways and uses a number of different devices to produce its effects. Among them are social ostracism, ridicule, contempt, and exclusion from the ordinary associations of social life. The surprising and significant fact is that the power of public sentiment is so great that it alone and unaided is sufficient to secure conformity from the great majority of individuals in the great majority of their acts. It is the primary force which keeps the social mechanism in working order and working.

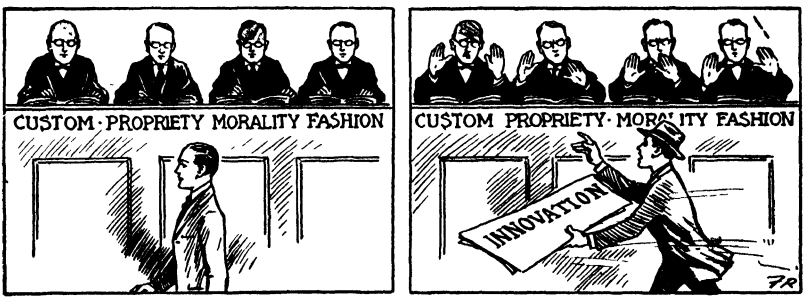
Phases

Public sentiment presents several different aspects, or phases, of intensity. The more important of these may be distinguished as custom, fashion, propriety, and morality. It will readily be seen that these are simply different degrees in the intensity of the public feeling with reference to conformity.

Custom

Custom relates to the way in which things are commonly done, and have been done traditionally, in a given group. It is always a very great force and sometimes becomes virtually the governing force in a given society. In the manorial organization of society during the Middle Ages in England, for example, custom was the characteristic principle. Everybody knew just where he belonged, just what his duties to society were, and just what rights he could insist on. Each individual had his own "status." It was very simple, because all these things were just as they always had been. Innovations not only were not tolerated; they were hardly even thought of.

Such a society is of what we call the "static" type in contrast to the "dynamic" type where experimentation, change, and movement are the rule. In no society, however, no matter how dynamic it may be, does the influence of custom entirely disappear.



Every innovation has to defend itself before four stern judges. If it is found worthy it is accepted.

Fashion might almost be defined as "temporary custom." Custom is the way things always have been done; fashion is the way everybody does things now. But custom holds on from generation to generation, while fashion is ephemeral, erratic, capricious, and arbitrary in the extreme. It is impossible to find any logical basis for, or any reasonable explanation of, the dictates of fashion. This is verified by the way it goes round and round in cycles. Women's skirts go up and down in length and expand and contract in circumference, indefinitely. Their sleeves are first puffy at the shoulder, then at the elbow, then at the cuff, and then back again. The high collar and the V-neck alternate. Keep anything long enough, and it will come into style again. What seems to be a new style is just a novel combination of old features.

Fashion

Even in what we flatter ourselves to be the most up-to-date slang we are likely to be simply resurrecting expressions centuries old. In an old play written two thousand years ago one of the characters is giving advice to a man whose ladylove has turned him away and then called him back and who has about decided to refuse to go. The speaker says:

> "Oh brave! oh excellent! if you maintain it!
> But if you try, and can't go through with spirit,
> And finding you can't bear it, uninvited,
> Your peace unmade, all of your own accord.
> You come and swear your love, and can't endure it,
> *Good night!* all's over."

And yet with what an irresistible pressure fashion enforces its decrees upon us in many departments of our lives — in food, dress, play, music, decoration, language, etc.! We do



Fashions change capriciously, but *Fashion* rules through the ages.

not realize how much of our sense of well-being depends upon following fashion until we experience the bitter humiliation which comes from some breach of fashion. When we consider the trivial things with which fashion concerns itself, we wonder at its power. Perhaps the social utility of fashion lies in training and accustoming people to yielding to public sentiment, in order that their conformity in important matters may be easier.

The step from fashion to propriety, decorum, and decency is a gradual one. The social condemnation for nonconformity becomes more severe; the points of conduct involved, more serious. Especially in cases of decency it is often possible to find some rational basis for the dictates of public sentiment. In matters of decorum and etiquette the rules of behavior are frequently designed to secure the comfort of other people. They provide the lubricant for the social machinery.

Propriety and Decency

The step from propriety and decency to morality is also a gradual one, but exceedingly important. Morality is one of the basic requirements of a stable, properly functioning social organization. Every society, from the most primitive to the most highly civilized, has its system of morality, without which it could not survive. It is very important, though not at all easy, to grasp the difference between the idea of morality and a catalogue of moral acts. *Morality* consists in doing what the sentiment of one's group regards as right. It is conformity to the most serious and important expectations of the community. But just what sort of conduct this will involve differs widely from group to group, because the expectation of one group differs from that of another. What is normal in one group is abnormal in another. It follows that an act which is moral to a member of one community may be immoral to a member of another community. While the idea of morality is universal, there is no concrete moral behavior apart from the expectations and public sentiment of a given group.

Morality

The moral sentiment, in the abstract, is a part of our human equipment, produced by the action of the various

evolutionary forces which have made the human species. But the moral code, that is, the catalogue of moral and immoral acts, is the product of the social evolution of each group and consequently differs from group to group. It is an element, and a very important element, of nationality. We get our ideas as to the items of right and wrong behavior by social inheritance from our group, just as we get the other features of our nationality. Yet the imperative character of one's own moral code is so great that it is the hardest thing in the world to realize that another person is doing right when you would be doing wrong if you did the same thing.

Moral Code:

A very striking example of this truth occurred a few years ago in Paris. A certain young Albanian killed a very prominent fellow countryman of his who was in Paris on an official mission. On inquiry it was discovered that the slain man had previously been responsible for the death of the father of the younger man. According to the moral code of Albania it was the moral duty of this young man to pursue the slayer of his father until he had killed him. Accordingly, in committing what we would call a murder, this young man not only *thought* he was doing right; he *was* doing right. The court which tried him, although a French court, so decided and set him free.

Modern Example of a Primitive Code

At first thought it may seem that this truth allows a great deal of latitude in personal conduct and leaves the individual free to decide for himself what is right and what is wrong. But this is not the case. Every one of us has a moral code, which has become a part of his very being and which he uncon-

Conflict of Codes

sciously accepts. We get it from our group, and we can not help having it. This code is the guide to right and wrong conduct for us. As we grow older, we may begin to reason about certain points of this code, and if we can bring ourselves actually to feel the authority of some other code, then that becomes right to us. The greatest difficulties arise when a person brought up under one code moves into a community with a different code. At first he can not help being shocked by things that he sees thoroughly good people doing. If he at once attempts to imitate them, he can not escape a feeling of violation of his own conscience. To attempt when in Rome to do as the Romans do is a very dangerous thing when you do not *feel* as the Romans feel. On the other hand, if he attempts to stick to his own code, his life is to that extent abnormal in his new environment, and he may seem actually immoral to his new neighbors.

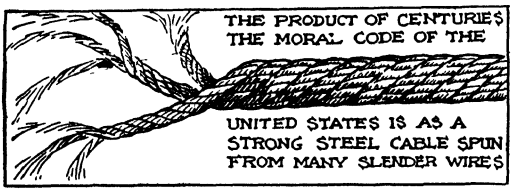
American Variations

A case of this sort, which is very frequent in this country, is that of a young man who has been brought up in a strictly Puritanical community, and, in his early twenties, let us say, moves to a community with a less rigid code. He has been trained not to play cards, not to dance, not to smoke, perhaps not to attend the theater or play pool or billiards. He has been made to believe that these things are wrong, and so he does actually regard them as wrong. Yet in his new environment he sees the very best people doing all of these things without any compunction or even any sense of their being questionable. Their code is different from his. Such a person goes through a very difficult and trying transition period. If he has a good intellect and if his moral sentiments are healthy and sound, he usually works his way out

all right. But in the meantime his pathway is surrounded with many pitfalls.

Fortunately, the more we come down to fundamental questions, the more do we find a general agreement in the moral codes of all civilized peoples. Or, putting it conversely, the more highly civilized communities are, the more closely do their moral codes resemble each other in their important features. It is chiefly in the minor points of morality that the codes of progressive nations differ from each other. The danger to the individual lies in his inability to distinguish between essentials and non-essentials. It should be noted, also, that a self-made code, something which one works out for himself independently, has no validity whatever as morality. It may be ethics. We must always bear in mind that the moral code of a country like the United States represents the ripened product of hundreds of thousands of years of social experience.

Unity of Fundamentals



A modern moral code is a product of the experience of past ages

It is also important to recognize that the moral sentiment itself,— the feeling that we should do right — whatever its origin, is firmly established as a part of every normal human being.

This suggests a very interesting and much-debated question, viz., whether there are any basic natural principles of morality, which apply to all men alike and should therefore be included in the codes of all civilized peoples. We

know that there are general principles established by Nature in other departments of human welfare. All men must sleep; all men must have food; all men must protect themselves from the elements. If a man takes a certain amount of strychnine, he dies, no matter whether he is a Chinaman, an Eskimo, a Bushman, or an American. These are all physical facts which depend on man's animal make-up. Are there corresponding social facts which depend upon man's constitution as a cooperating human being? It certainly looks as if there were. The fact just mentioned, that the upward path of civilization leads all peoples to an agreement on certain general moral precepts, is strong evidence in that direction. It looks as if all men were enough alike in their social make-up, just as they are alike in their physical make-up, so that certain fixed requirements apply to all if the highest degree of welfare is to be achieved. It would be difficult to name all or many of them. A few, however, stand out clearly. In every progressive community where the welfare of the individual is fostered, there must be respect for the property rights of others; there must be no wanton taking of human life; there must be some accepted and enforced regulation of sexual relations; there must be some definite consideration of the well-being of other individuals and of the community at large. In so far as there are these general principles, there is a basis for a logical comparison of moral codes. It becomes possible to say that one code is actually better or higher than another, in so far as it promotes the happiness of its followers to a higher degree. This allows for reasoning about moral codes by a person of sufficient intelligence and independence of thought,

Unversal Morality

though it must be repeated that it does not afford moral justification for his following any other code than that which at the time he recognizes as having authority. Ethics is a help and guide in such an undertaking. It gives an added dignity to social science if it can be regarded as the means of finding out more and more completely the fundamental principles of social welfare and therefore of social morality.

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QUESTIONS

1. Name the two chief forces upon which society relies in its control of its members.
2. Define vanity as a sociological term.
3. Name some of the things which give you a feeling of satisfaction with yourself.
4. Explain the relation between the growth of civilization and the importance of vanity.
5. Explain the difference between public opinion and public sentiment.
6. Describe some important currents of public sentiment or public opinion which are working in the United States at the present time.
7. Define custom. Fashion. Propriety.
8. How does the moral code of a society originate?
9. Can an individual make a moral code for himself which will have any authority? Discuss fully.
10. What are some of the fundamental elements of morality which are found in the codes of all civilized societies.

TOPICS FOR FURTHER STUDY

Lippmann's conception of "Stereotypes" and their importance. (Lippmann, Walter, *Public Opinion*, pages 3–32, 79–156.)

The war work of Herbert Hoover in creating public sentiment and opinion. (Kellogg, Vernon, "The Story of Hoover," *Everybody's Magazine*, May and June, 1920.)

Custom and status in mediaeval society. (Vinogradoff, Paul G., *The Growth of the Manor*, pages 171–173, 310–312, 368–369, 348–349, 361–362.)

CHAPTER VIII

Social Control: Fear

As has already been said, the motive of vanity is strong enough to secure obedience to the precepts of custom, fashion, propriety, and morality on the part of most people most of the time. But men learned very early in their social evolution that vanity was not universally sufficient. There are some individuals in whom vanity is not strong enough or is not developed in a sufficiently normal way to secure their conformity in even the common experiences of life. And there are critical times in the experience of most individuals when the force of vanity alone can not be relied upon to hold them up fully to the expectation of the community. Accordingly, from the very beginning of social organization, societies have utilized the other great motive alluded to before, fear. It need hardly be pointed out that fear is part of the equipment which man has carried over from his earlier animal existence. Fear is one of the leading agencies of self-preservation in the animal world. Purely instinctive fear is aroused only by the actual presence of some dangerous, or seemingly dangerous, object. The small fish fear the big pickerel; the rabbit fears the fox; wild animals in general fear human beings and fire. Among the animals, so far as we know, there is no fear of dangers which are not perceived by some of the senses — hearing, smell, sight, touch, or taste; there is no alarm over future troubles that

Primitive Fear

can exist only in the imagination. This anticipatory fear is one of the prices which human beings have to pay for their superior intelligence. We human beings have a whole flock of fears, exclusively our own, due to difficulties which we foresee may arise. We fear poverty; we fear ill-health; we fear failure; most of all we fear death. It is doubtful if there is any such thing as the real fear of death among



Animals and primitive men fear present dangers, being warned directly by their senses.



Fear of future calamities is one of the prices modern man has to pay for his high intelligence and knowledge

animals. They fear the *object* by which death may come to them. Among the animals, fear is a wholly useful agency; among men it may become one of the chief sources of unhappiness.

Whatever other effects fear may have, it is a very serviceable agency in securing conformity. Persons who can not be kept up to social expectation by the desire for the good opinion of the community may often be coerced by fear of unpleasant consequences. In this expedient we find the origin of the

The State: *Function*

repressive, regulative, or coercive phase of the social organization which we call "*the state,*" or "*government.*" The primary function of the state is to secure regularity of conduct or conformity from the members of the community. Its instruments are authority, discipline, and force, and the feeling on which it primarily relies is fear.

Development

It is interesting to learn that the germs of the modern state are found in that same institution which we have seen to be the origin of so many of our human systems — the family. The earliest forms of human authority, discipline, and force are to be found in the relations of parents to children. The growth of the primi-



Authority was first vested in the head of the family, then in the patriarch, then in the king

tive state was coincident with the enlargement of the primitive family group. One of the clearest examples of this relationship is to be found in the large patriarchal group where the head of the family unit is also the governor of the social organization. This development of the state out of the family naturally resulted in the single-headed form of state organization, or kingship. The king was the most powerful man in the group, powerful first of all because of his age and his ancestral relation to the other members of the group, powerful later on because of his

wisdom, his physical strength, his ability as a fighter, or perhaps of some magical influence which he was believed to have. (Since the state relies on fear and compulsion, the head of the state must have at his command some force superior to that of any single individual who may have to be disciplined.) As just stated, this may be the force of his own individual personality. But this is true only in the most primitive forms of the state. In higher forms the head, or executive agent, of the state must have force which in some way represents the power of the community as a whole delegated to him to use against a rebellious individual. This power includes the police authority and the military authority of the state, which were at first indistinguishable. Later on the police function came to be regarded as the authority of the state used to apply force to its own members; the military function the authority used to apply force to other communities.

Relation to Public Opinion

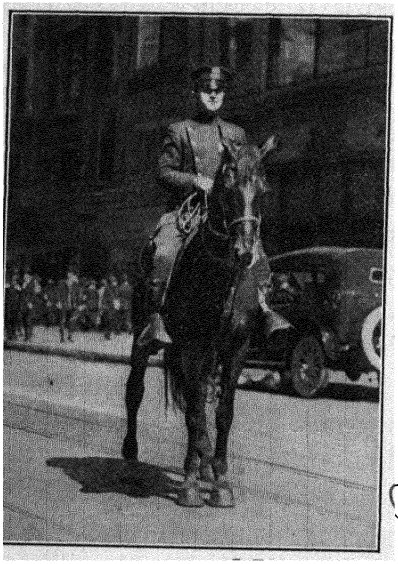
Public opinion came before the state, and the relation between the two has always been very close. The state has always relied to some extent on public opinion to secure the application of force, and any state that does not have a firm public opinion back of it rests upon a very shaky foundation. In the course of its evolution the state has grown to such importance that we often confuse it with the nation, with the community, with society itself. It is important to realize, as it ought not now to be difficult to do, that the community or society is higher, broader, and larger in every way than the state. The state is merely one of the expedients developed by society to help accomplish social purposes. It is one aspect of the social organization. It is no more

society or the nation than the boiler is the locomotive. In probably the greater part of the purposes of society the agency of the state is negligible or at least plays a minor rôle.

Law and Crime

We have seen that the primary functions of the state were in securing conformity in those cases where public sentiment was not sufficient. In other words, it was coercive, and its decrees took the form of prohibitions. The decrees of the state are called the *law.* It is important to remember that morality came before the law. There was some orderliness in society before there was any distinct state organization. The state undertook to enforce conformity where the sanctions of morality failed. It naturally came about that the first things with which the state concerned itself, after its own protection, were those cases of nonconformity which involved the greatest injury to individuals or to the stability of society. These were infringements on the life or property of individuals. The earliest laws were those forbidding injuries to life or property and providing for the punishment of those guilty of such offenses. A violation of one of the laws of the state is called a *crime*, and the person guilty of such a violation, a *criminal.* Treason, murder, and theft are the three fundamental crimes in the laws of all states. There is a close connection between the moral code and the criminal code, though the two are entirely distinct things. In general the growth of the criminal code has been by taking over, one after another, certain prohibitions of the moral code and putting them into the law. Naturally the order in which these prohibitions have been taken over has depended upon the seriousness with which the community regarded violations. The immorality of a certain act

has to reach a certain degree of danger to the community before society thinks it worth while to put it in the criminal code. Securing conformity by law is much more expensive and much less satisfactory in other ways than securing it by public sentiment. There are, accordingly, in every society many kinds of conduct which are regarded as immoral that are not prohibited by law. Lying, for instance, is quite generally regarded as immoral. But probably no state in the world has a law against lying as such. Gambling and prostitution are branded as immoral, but very few states prohibit them except under certain specified conditions. The true test by which it is determined whether a given immoral act should be made a crime is the amount of injury which it is likely to cause to society or to individual members of society against their will. Simple gambling, for instance, is not made a crime because both of the persons involved are supposed to have consented voluntarily to the conduct, and the loser has only himself to blame. He has no ground for complaint against society. Much the same thing is true of prostitution. The situation is wholly different in cases of robbery or rape, which are accordingly made crimes.



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The state is an agency for the enforcement of conformity.

It is impossible to emphasize too strongly the truth that the state is not concerned with morality as such, for its own sake. The state is concerned with the safety of society and with the preservation of the rights of its members. It concerns itself with immorality only in cases where the stability of the state or public safety is threatened. A clear grasp of this fact is a great help in avoiding confusion about many public issues. The most striking recent example is prohibition. An enormous amount of confusion and of opposition has arisen from the very widespread notion that the prohibition movement was a moral movement and the prohibition amendment was an attempt to "make people good by law." In its legal aspects, correctly understood, the prohibition movement is not a moral movement. The Eighteenth Amendment, like every other good law, aims not at morality but at safety. It is significant that in spite of decades of thundering about the immoralities connected with the liquor business, it was impossible to get a national prohibition law until the scientists, social and other, had demonstrated to intelligent people the menace to public safety from the traffic in intoxicating drinks. The

Security Not Morality

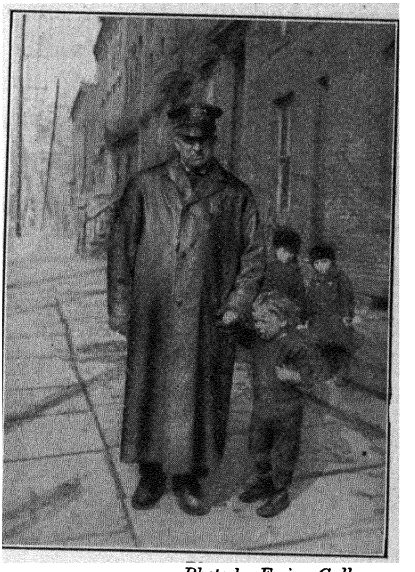


Photo by Ewing Galloway

The state is interested in safety and security.

difficulties in enforcing the Volstead Act are largely due to the lack of a thorough understanding of these facts on the part of the less educated portion of the population and an ignoring of them by the more selfish portion of the better educated. Long before prohibition became a national, legal fact, many of the great railroads and other business corporations had understood the relation between total abstinence and public safety and had forbidden their employees to so much as step inside a saloon.

Goodness and Crime

The persons who oppose the prohibition amendment on the ground "that you can't make people good by law" miss the mark not because what they say is untrue, but because it does not apply to the point at issue. (Nothing is more true than that you can not make people good by law. The law secures its results by the use of force and fear, and no goodness can be claimed for conduct, however blameless it may be, that is induced solely by force or fear.) Nor is the person who breaks the law, the criminal, necessarily any more immoral than others who do not break the law. He may simply have happened to hit upon forms of immorality in which the state has taken an interest on account of their relation to public safety. The difference between two men, one of whom is not a criminal and the other is, may simply be that the former has been able to hire a lawyer to show him how to do an immoral act without actually breaking the law, and the other has not. This becomes clearer when we observe that in highly civilized states there are large sections of the law which deal with conduct which has no moral character at all but is simply a matter of safety. An excellent example of this sort of law is the traffic regula-

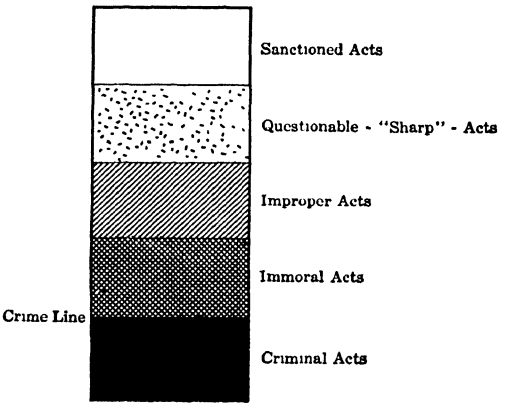
tions of our great cities. It is no more inherently immoral to turn to the left of a street corner than it is to the right, but there are certain corners where it is unlawful, and therefore a crime, to do so, and the penalty may be very heavy. Since the definition of a criminal is one who breaks the law, and there is no sharp distinction between laws which relate to immoral acts and laws which do not, it follows that a man may become a criminal through an act which is not in the least immoral, except as the breaking of any law is immoral just because it is a law. This impresses on us the truth, very useful to bear in mind, that the fact of being a criminal is due to past conduct not to the inherent quality of the individual. Many criminals are better men than others who are not criminals. Also, a person is a criminal with reference to a particular act; criminality is not a permanent, general characteristic of certain individuals.

Grades of Conduct

The folkways of every society, accordingly, divide conduct up into several classes or grades which are quite distinct, although the dividing line between them is always indefinite. At the top are right, or sanctioned, acts. Below that are questionable acts, things about which there is no clearly defined public sentiment but which the most scrupulous persons will avoid. Next comes a stratum of improper acts, then one of immoral acts, and finally the lowest stratum of criminal acts. The tendency throughout the course of social evolution has been to push each of these lines higher and higher up. Certain acts which have been merely questionable become improper; other acts which have been improper become immoral; and acts which have been on the border line

between immorality and criminality are made definite crimes. This can be shown by a diagram like that below.

There can be no doubt that the standards of conduct are rising with the progress of civilization. This does not



necessarily mean that the individual members of society are becoming any more moral. The morality of an individual is determined by the closeness with which he sticks to whatever code he recognizes. The man who adheres faithfully to a high code is no more moral than another man who adheres with equal faithfulness to a low code, provided it is the one which he recognizes as authoritative. Whether men are actually more moral than they used to be is a question by itself — and very difficult to settle.

REFERENCES

Ross, E. A., *Social Control.*
Boas, Franz, *The Mind of Primitive Man.*
Dealey, James Q., *The Development of the State.*
Wilson, Woodrow, *The State.*

QUESTIONS

1. How does fear among human beings differ from fear among other animals?
2. In what way, or ways, does the state use fear to secure conformity?
3. How does it use force?
4. Why does a community need the agency that we call the state?
5. What is a crime? Explain the process by which acts become crimes and the principles that underlie this process.
6. Defend the statement that the state should not concern itself with morality for its own sake. Show how the prohibition amendment illustrates this truth.
7. Name several acts that are crimes in your community but that have no element of intrinsic immorality.

TOPICS FOR FURTHER STUDY

Law as a means of social control. (Ross, Edward A., *Social Control,* Chapter XI)

Ancient methods of securing conformity through fear (Wines, Frederick H., *Punishment and Reformation,* Revised Edition, Chapter V.)

CHAPTER IX

Social Control: Religion

Most of the interests that we have discussed thus far have related to the things of this world — food, clothing, shelter, tools, fire, other men and women and children. These are things which can be seen, heard, felt, tasted, smelled. We have now to consider another great set of interests which relate to things not of this world, things which are not perceived by the senses but are matters of belief. The fact that they are matters of belief does not lessen their importance in the least. For, as we have seen, our interest in any object whatsoever depends solely on our belief that it will satisfy desire. To this general set of interests we give the name *religion*. Let us try to see how the religious beliefs and interests have come into existence and been developed.

Nonmaterial Interests

All the motives of human conduct may be included in one comprehensive formula — "the desire to secure pleasure or happiness and to escape pain." All the specific desires which we have mentioned are merely cravings for particular kinds of pleasure or happiness. The objects of interest are things which are believed to be capable of supplying particular forms of pleasure or happiness. Fear is the inclusive name for the dread of various forms of pain or suffering. Back of all desires is the desire for life, and back of all fears is the fear

Love of Life
Fear of Death

of death. The love of life and the fear of death, which are merely two sides of the same thing, are so completely instinctive that they stand in a class by themselves, apart from all other human motives. They run back to the very beginnings of animal existence and are essential for the survival of any conscious organism. All human life is one long pursuit of happiness. At first this may seem to you an unworthy or ignoble goal. But you will readily see that it is not, if you take happiness in its deepest sense and make it include the happiness of other people as well as yourself. There could be no higher goal than true happiness. We may therefore take these instincts for granted and simply leave them in the background of all our discussions of voluntary human behavior.



There is no higher goal than happiness if it includes everyone.

As soon as man began to think at all, a large part of his thought was naturally taken up with questions of how to get happiness and how to avoid pain. This led him to inquire into the causes of the various incidents and experiences of his existence. He developed a *desire to know*. This desire to know very likely has its roots in the instinct of curiosity which is very

Desire to Know

common and very powerful among the lower animals. But as it has developed among the human species it is entirely different from anything that we can discern in any other animal.



The desire to know led primitive man into many inquiries — why things grow, what fire is like, the meaning of the stars It has been a great factor in social advancement

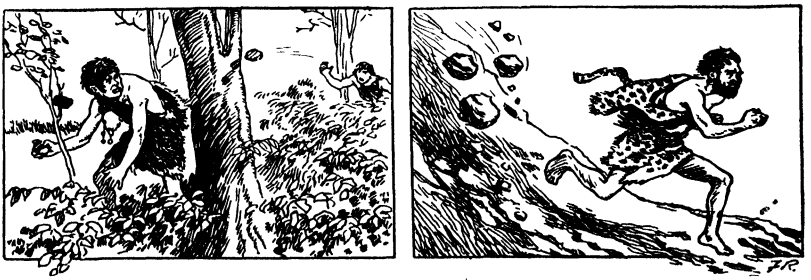
In his search for the causes of his experiences primitive man had little difficulty in arriving at the right solution in many cases. The thing was obvious to a person with any intelligence whatever. If he was bitten by a wolf, it was the wolf who was the cause of the bite. If an enemy shot him with an arrow or hit him with a stone, the enemy was responsible. If a friend made him a present of a handful of fine berries, it was his friend who was the cause of his pleasure. Putting it in general terms, primitive man could arrive at relatively correct explanations of events if they were due to the activity of a being whether man or animal with powers of movement something like his own, that is, an *agent*. But for many of his experiences he could find no agent. Suppose, for instance, that the stone which hit him on the head, instead of being thrown by an enemy, dropped on him from an overhanging cliff. He could see no living creature

Primitive Notions: *Agency*

which could have thrown it. Yet he could not conceive of any stone moving unless some one did throw it. He had, and could have, no idea of an invisible natural force, such as the force we call gravitation, which by chance would cause the stone to drop at just the moment that he happened to be passing under the cliff.

So for all events for which he could see no visible agent primitive man very naturally conceived the explanation of an *invisible agent.* Naturally, also, these invisible agents were conceived of as having qualities very much like the visible agents who might have done the same sort of thing. Some were manlike, and

Spirits



Primitive man believed that an agent was back of all happenings. If he could not see one, he imagined an invisible one

some were animal-like. But except for the quality of invisibility all were very similar to the familiar creatures he saw around him. How primitive man first got the idea of invisible beings — *spirits, ghosts,* or *demons* — we can not say with entire certainty. It may have been from dreams or from the experiences of swooning and other forms of unconsciousness. It is thought that these experiences may have given man his first conception of a spirt or *soul* within himself, something separate from his body, which had the

power of leaving the body and going off on adventures of its own. Even to this day when an unconscious person begins to revive we say he is "coming to." This is a survival of the time when man really thought that his soul, which had been away for a time, was "coming to" the body again.

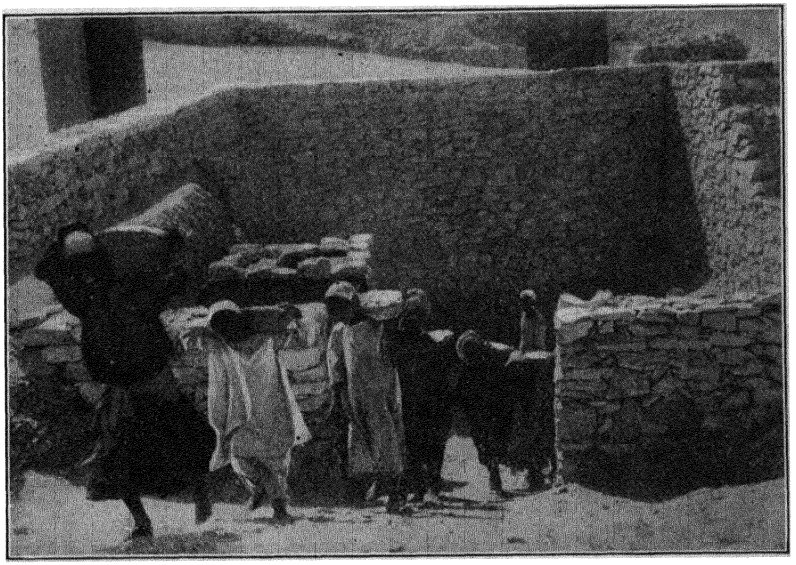
Soul

At any rate, however primitive man got his notion of a soul or spirit of his own, he did get the idea. No race of men has ever been discovered so low in culture that it did not have some ideas about souls and spirits. These notions take an almost infinite variety of forms, but they have certain general features in common, the most important of which is that the invisible spirit has the same feelings, desires, and passions as human beings or the corresponding animals and that they have the same powers, only often enlarged. The belief is also common that the soul lives on after death, in an existence very much like life on this earth except that certain human limitations have disappeared. This explains the almost universal custom that when a person dies his burial place, grave, tomb, funeral pyre, or whatever it may be is provided with food, weapons, clothing, ornaments, etc. to supply him on his journey and provide for him until he is well established in his new existence. If he is a great chieftain, his favorite horses, slaves, and often his wife or wives will be killed in order that they may accompany him. Commonly, the transition from this life to the next is a simple one in the minds of savage men and one that they do not particularly dread, though of course they have the instinctive love of life like all animals.

It soon came about, therefore, that primitive man began

to think of himself as surrounded by ghosts and spirits on every side. Some of them he could identify, that is, he knew what human bodies they had occupied before they were released by death. These are the *ghosts* in the strict sense of the word. The

Invisible Environment

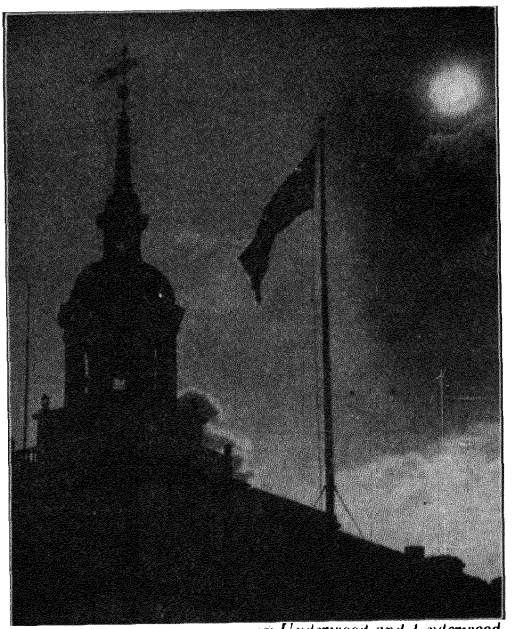


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Ancient peoples considered the conditions of burial to have a very important influence upon the after life of the deceased. The magnificent tomb of King Tut-ankh-Amen is a striking example of this.

great majority, however, were unidentified spirits. Having conceived the notion of a soul in the human body, it was perfectly natural that primitive men should also ascribe souls to animals and even to inanimate things. For the sense of kinship between the savage and the wild animals is very close, and he has never analyzed the differences between animals and plants. To him, the chief test of ani-

mal life is spontaneous movement or what looks to him like spontaneous movement. A stone rolling down a hill may seem as much alive to him as a rabbit running into the bushes. So, in addition to the souls, ghosts, and spirits of human beings, there was an infinite host of souls, ghosts, and spirits of animals and other objects, some of them still in the bodies of the creatures to whom they belonged but the great majority disembodied and invisible.



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To scientifically educated men an eclipse of the sun is simply a natural phenomenon.

Natural Forces

The idea of natural forces is so large a part of the education of the civilized child that it is very hard for us to think of a society in which not only is there no knowledge of the different natural forces — gravitation, electricity, heat, chemical affinity, adhesion, cohesion, etc. — but not even an idea of natural forces and natural law at all. Everything must be explained on the basis of agency. If there is no agent seen, either human or animal, then there must be some ghost or spirit at work. In the case of the

stone falling on a man's head, it might have been *thrown* by an external spirit, or it might have *moved* through the agency of its own spirit. The idea of what we call *natural phenomena* is entirely unknown to them.

To a group of men with ideas and beliefs of this kind the spirit population of the world becomes of vital importance. These beings are capable of bringing all sorts of misfortunes — disease, insanity, forest fires, drought — and all sorts of benefits — health, good luck, strong children, fine crops. To secure the support of the spirit host therefore becomes one of primitive man's most important interests. With reference to their attitude toward human beings the spirit population may be divided into two great groups — those who are well disposed toward human beings, or the good spirits, and those who are ill disposed toward human beings, or the evil spirits. A spirit may be well or ill disposed toward the whole human race or only toward a single individual. Savages spend a good share of their time and thought in trying to get on the right side of the spirits. Of the two classes of spirits, the bad require a great deal more attention than the good; for a good spirit has no disposition to harm a human

Good and Bad Spirits



To men governed by superstition an eclipse of the sun is often believed to be caused by an evil spirit trying to devour it. They attempt to drive away the demon by loud noises.

being. The most that one needs to do ordinarily is to keep from offending such a being. But an evil spirit is bent on harm by nature, and one's only hope is to propitiate it by extraordinary offerings or service of some kind in the hope that it will be moved to suppress its evil intentions for a time or at least to divert them from the supplicant to some less attentive person. Even civilized men are often more influenced by fear of the devil than love of God.

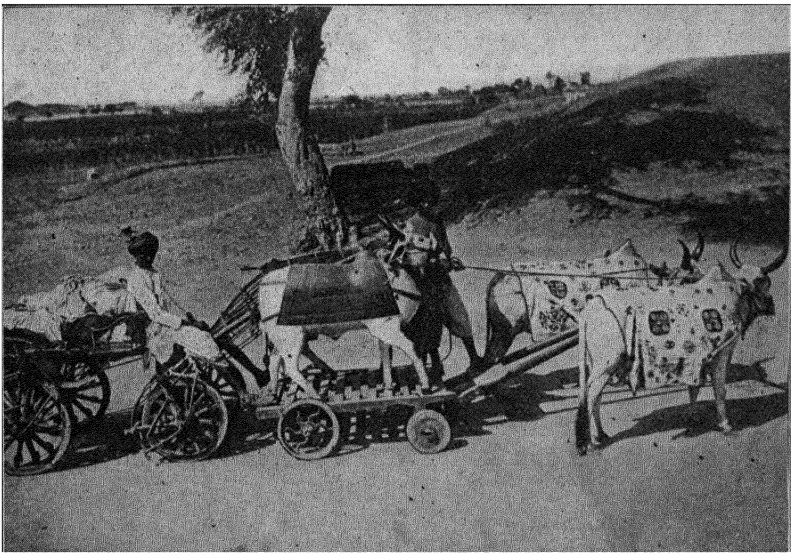
Inadequacy of Primitive Religions

We are sometimes told by those who oppose the introduction of higher forms of religion among savage peoples that the savage's religion is perfectly satisfactory to him and serves his purposes better than something else imposed on him by an outsider. Such statements become questionable when we realize how completely a savage's religion is a religion of terror. Try to imagine yourself literally surrounded by thousands of unseen beings, any one of whom you may offend by some innocent act on your part. If you throw a stone through the air, you may hit dozens of them. If you cut down a tree, you may inflict pain on the spirit within it. If you kill an animal, you may incur the ill will of the great protecting spirit of that kind of animal. You have no way of knowing how and when you may offend, yet any offended spirit may work untold injury to you. The substitution of a belief in a single spirit of unbounded love and good will would be very welcome to you under those conditions.

Superstition

A further reason why the religions of savage peoples are unsatisfactory is that they represent an earnest search for truth on the basis of an entirely mistaken hypothesis. It must always be borne in mind that primitive man's religious ideas arose from his desire

to know and particularly to know the causes of natural phenomena. Having no knowledge of any other kind of cause than agency, he developed a whole system of beliefs resting on the supposition of the existence of a great host of invisible agents. He was trying to build up science on

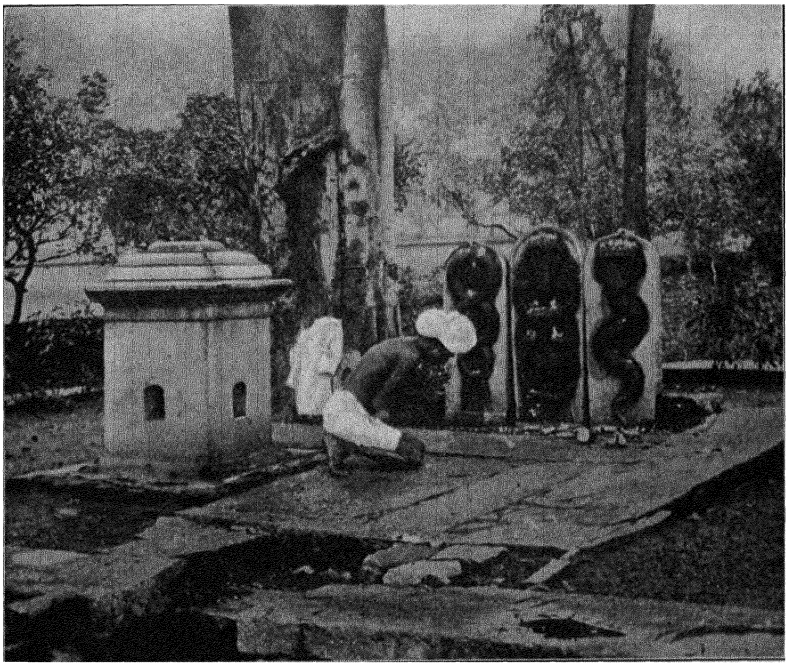


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This bullock driver in India has two wooden bullocks to keep the evil spirits away from his live ones.

the basis of a major assumption which precluded the use of scientific methods. For invisible spirits can not be seen, heard, felt, or tested by any of the means by which we establish truth in the physical world. Consequently erroneous beliefs had just as good a chance of surviving and becoming established as correct beliefs. In fact, truly correct beliefs were impossible when the basic assumption was erroneous. The best that man could do under these

conditions was to hit upon some practice which he supported by religious beliefs and which was in fact in harmony with natural laws. This has happened in many cases. But in innumerable cases the reverse was true.



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Men's inventions to influence the unseen powers are innumerable.

Practices which men believed to be necessary to secure the good will of the spirits were either wholly ineffectual or else positively injurious. Think of just a few of the things which men actually do or have done in the belief that they will bring good results from the spirit powers. They have sacrificed their first-born children; they have offered up the parings of their finger nails and the clippings of their

hair; they have burnt widows on the funeral pyre of their husbands (the *suttee*); they have made an image of an enemy and stuck it full of pins in the belief that their enemy would suffer accordingly; they have thrown a pinch of salt over their shoulder before each meal; they have refused to sit down thirteen at a table. The forms of superstition and magic are innumerable, and the great majority of them have no possible relation to the effects which they are intended to accomplish. But since they are incapable of proof or disproof they become rooted in custom and tradition. In fact, the more incapable of disproof a practice is, the more firmly is it established and the more obstinately does it resist change, once it has become grounded in tradition and religious belief. Primitive religion is largely the worship of the Great God Luck.

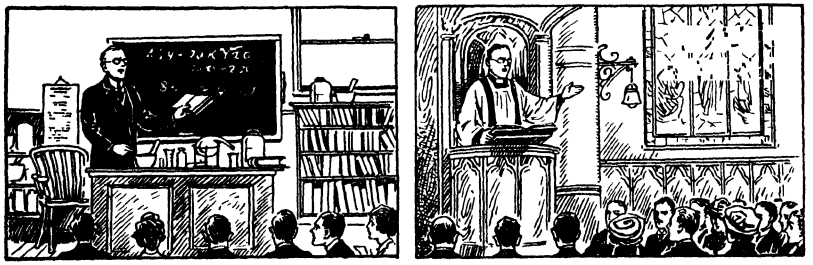
Escape from Error

As we realize these truths, the mind is filled with wonder that man was ever able to get off this sidetrack, which goes on forever but leads nowhere, and get onto the main line which leads to the explanation of natural phenomena on the basis of natural forces and goes on through the measureless realm of true science. It is only very recently in the long span of human existence that he has actually done so. Not but what he made countless wonderful discoveries and developed many marvelous arts, as we have seen, long before there was any true science. These things were largely the result of trial and error or of hitting by a happy chance upon some practice that was really useful and beneficial. In the long run, of course, useful practices tend to outlive injurious practices, because the former tend toward the survival of the groups which follow them, while the latter tend

toward the elimination of their adherents. But before the dawn of science even the useful practices were commonly supported by spiritistic or traditional sanctions instead of by the conformity with natural law which really justified them.

Science and Religion

But we should never forget that the beginnings of science are to be found in man's early search for the explanation of things, just where the beginnings of religion are also found. In fact, for countless thousands of years science and religion were indistinguishable, one and inseparable. Both were elemental,



Science and religion each has its own field There is no antagonism between them if rightly understood

faulty, and often ludicrous in modern eyes. But they were the best that man could do with the degree of intelligence and the amount of accumulated knowledge which he possessed. We should acknowledge our debt to these early explorers in the realm of truth rather than ridicule them. Without their laborious and painful activities the wonders of modern science would be impossible. The breach between science and religion is a recent thing, and a fortunate one, provided it is clearly understood that the breach implies no antagonism or lack of harmony but merely a logical

division between two sets of interests which are subject to wholly different forms of observation, test, and proof. The proper field of science includes all those phenomena that can be observed and tested by the senses. This is virtually another way of saying that it includes the phenomena of material objects. This is a field that is steadily widening generation by generation as men learn to apply their tests to a greater and greater range of objects. The field of religion includes phenomena which can not be observed or tested by the ordinary methods of science. In fact, it is probable that they can not be proved at all. They are still matters of belief. It is doubtful if we will ever be able to prove them. If we ever do prove any considerable portion of them, they will pass into the realm of science, and we shall have a science of religion — not at all an impossible conception. A proof, you understand, consists in establishing a truth by such evidence that any person who has the intelligence to understand the evidence must accept the conclusion.

Proof Impossible

We have not yet been able to demonstrate the truths of religion in such a way as to constitute a proof. Spiritual phenomena do not furnish the kind of evidence which is required for a proof. While religion is essentially a social matter, the experiences of religion are largely personal. Although many persons may have had personal experiences so similar as to lead them to common beliefs, they are not able to demonstrate the grounds for their beliefs to others who have not had the same experiences. Consequently the disbeliever has just as good a position, from the point of view of proof, as the believer. But it is a great mistake to suppose that nothing

is true which can not be proved or that things which are purely matters of belief may not be eminently useful. In fact, we know that there must be many things true that

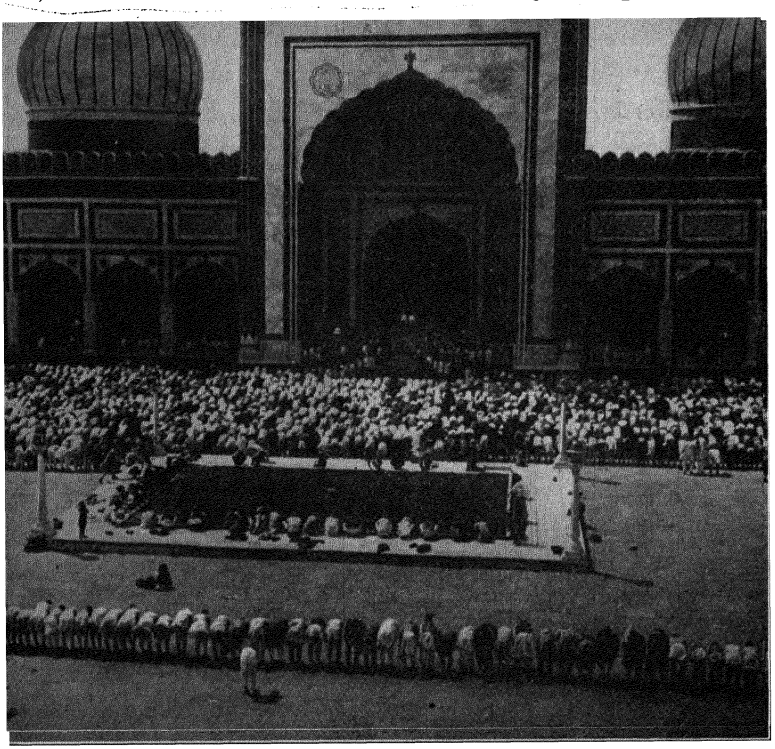


Photo by Elmendorf. © *Ewing Galloway*

Religion is essentially a social matter. The overflow crowd at the weekly prayer meeting in the Great Mosque at Delhi, India.

have never been proved and that we can not prove. For, as was just stated, the possibility of proof depends on the intelligence of the human being. It also requires knowledge. All the laws that are based on the principle of gravitation were just as true before the days of Newton as they are

now. But men did not have the intelligence to prove them. It was just as possible to send messages through the air or to fly through the air before the contributions of Marconi and the Wright brothers as it is now. But men did not have the combination of intelligence and knowledge to prove it. There are undoubtedly countless truths in the natural world around us that may not be proved for generations or centuries and which, if we utilize them at all, we must utilize on the basis of belief. It also seems wholly unlikely that any great body of belief which has been produced by a continuous evolution since the very birth of the human species and tested out by innumerable personal experiences should be wholly erroneous or useless. As was stated above, the beliefs which were true, and therefore useful to men, tended to survive. Conversely, beliefs that have been useful throughout the ages and hence have survived, must in all probability have a basis of truth. There is no more reason to scorn modern religion because of its humble origin than to scorn modern science for the same reason. Nor is there any reason to fear that science can ever wholly supplant religion. By its very nature science is limited in its extension. Science deals with causes and effects, which means that it invariably works from one thing to another, forward or backward. It is absolutely impossible for science



There are permanent and unvarying forces back of all natural phenomena.

to explain the beginning of things. What has been called the "First Cause" will always lie beyond the reach of science. Religion, on the contrary, which utilizes intelligent, reverent belief, is free to include the First Cause in the scope of its consideration.



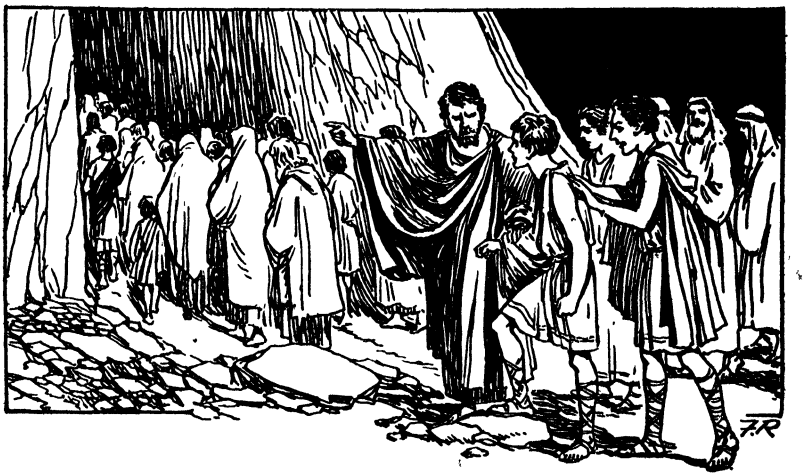
Photo by Underwood and Underwood

Two great scientists — Thomas A. Edison and Charles P. Steinmetz.

Location of Authority

The evolution of religious belief from a primitive pantheism, through polytheism, dualism, and up to the modern form of monotheism is an exceedingly interesting study. At present, we must confine ourselves to the relation between religion and the enforcement of the standards and codes of society. In a group of people, the members of which hold common

ideas about the nature of spirits and their attitude toward human beings, there will be a strong social impulse to follow the will of these unseen beings. As soon as common beliefs and traditions are established as to what sort of conduct will secure the assistance of the unseen hosts, there arises a very strong motive on the part of society to compel its members to follow that kind of conduct. Each individual,



In following the unseen, great pressure is laid upon the individual to go with the group

also, is impelled by his own self-interest to act in accordance with the wishes of the spirits, provided he can discover what those wishes are. And since beliefs of this kind are mainly products of the group mind, his impulse will be to do what the group desires him to do. Of course, it is always difficult to know just what the spirits do want. The average man is always seeking some one to enlighten him. Any one who can make people believe that he knows what the spirits want will find a multitude of hearers. As a

natural result there grew up among primitive communities individuals or groups of men who professed to have a special insight into the spirit world and whose claims were

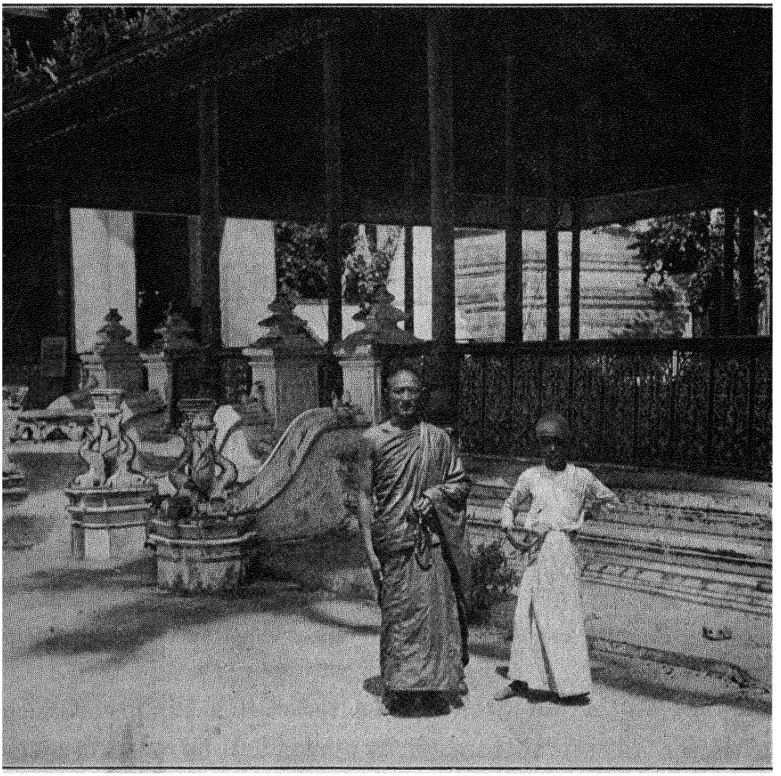


Photo by Limendorf. © *Ewing Galloway*

A Buddhist priest and student in India.

conceded by society. These are the shamans, medicine men, prophets, seers, etc. We shall not stop to inquire by what means these persons succeed in convincing their associates that they possess special powers nor the extent to which they actually do have an exceptional insight into

spiritual truths. For our present purposes the fact is sufficient that they win confidence. They therefore become persons of the very highest importance, power, and influence. They are authorities on some of the most important interests of life. It is a rash man who dares ignore their precepts. Their power is magnified when, as usually happens, they come to be regarded as having the ability not only to know but also to influence the unseen beings.

Ancestor Worship

By way of example, let us consider one of the methods by which religious beliefs and precepts have commonly become established. We have seen that the earliest form of social authority was that of the head of the family and that the earliest social unit was the kin-group. As the kin-group enlarged, its patriarchal head continued to be the center of authority, as he was the center of experience, knowledge, and wisdom. Every serious problem of the group was referred to him for decision. His judgment was followed. Even when he was not actually consulted, the members of the group were always trying to act as they believed he would advise or wish them to act. Now in the course of time the old man dies. But his relatives still remember him. In their belief his spirit is still hovering around the old hearth or meeting place. His power over them is greater rather than less, because he is now a ghost. Consequently the members of the group still try to live according to his principles, and in every perplexity they continue to ask, "What would Old Man So-and-So have wished or advised us to do under these circumstances?" Different members of the group recall certain common sayings or precepts of his. These are repeated from time to time until they become standard

rules of behavior. Perhaps there is some member of the family who was especially close to him during his life. This person is continually consulted as to his views as to what Old Man So-and-So would have wished. In time he comes to be regarded as the old man's representative among the living. So the years and the generations roll on. As Old Man So-and-So becomes less and less an actual memory and more and more a tradition, his power and influence increase instead of diminishing. His sayings and precepts become firmly established standards of conduct. The stories about his strength, wisdom, and judgment grow into vast proportions. He was stronger, better, and wiser than any other man who ever lived. His spirit, of course, still remains among his people, now a much larger group, its favorite abode being the old home or hearth. So by a gradual process this ghost of a well-known relative becomes an actual divinity; his precepts become religious dogmas; and his old home, a shrine. A whole set of myths and traditions is built up about his personality. We have a fully formed religious cult, of the very common type known as ancestor worship.

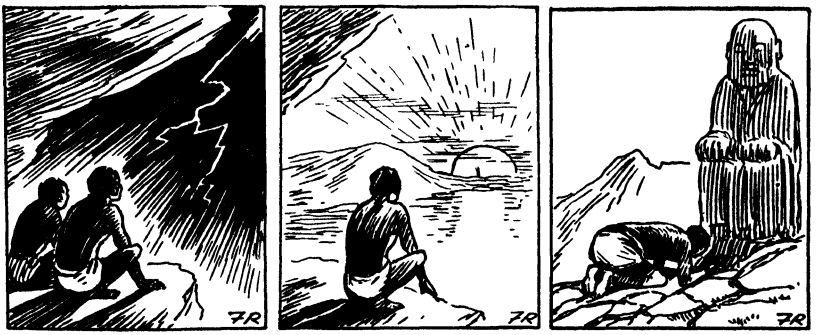
Religious Code

So in religion we have an entirely different form of social pressure which can be used and always has been used to secure conformity. In addition to the desire for the good will of the community and the fear of the power of the law we have the desire for divine approbation and the fear of divine displeasure. In addition to the moral code and the legal code we have the religious code. There is much the same relation between the moral code and the religious code that there is between the moral code and the legal code; that is

the religious code takes over certain important precepts of the already existing moral code and gives them the sanction of the divine will. This is natural enough. It is natural that a primitive group of people should conceive that the spirits should wish them to do what they had already decided was the right thing to do. As the conception of divinity rises to a higher level, it remains natural that a society should believe that God sanctioned the highest morality of the group.

It must never be forgotten that man's conception of God can never rise above the level of his own intelligence and moral development. The primitive savage can not possibly worship such a god as civilized peoples worship for the simple reason that it is impossible for him to conceive of such a god.

Limit of Religious Conceptions



Men's conceptions of God are limited by their experience and their intelligence.

When civilized people try to introduce higher religions among savage people, one of their greatest difficulties is getting the savages to grasp the basic ideas of such a religion. Some one once said that "man made God in his own image." This is perfectly true if taken in the right sense. (It does

not mean that God himself changes. But the *idea* of God does change. It is the result of an evolutionary process just as truly as the shape of a man's head or the system of his government. A thousand years from now men may have an idea of God as different from ours to-day as ours is from the drunken, pleasure-loving divinities of the ancient Greeks. The best that men can do in their conception of God is to attribute to him the very highest morality they can conceive.

Social Origin of Religious Code

All this becomes clearer if we realize that there is no other place for moral ideas to come from except from the social experience of the group. Of course there are leaders in moral thought, men who reason about the moral code of their own society and advocate principles higher than those which are customary among their group. These are the true prophets, seers, and priests. Without them the progress of moral evolution must have been much slower than it has been. But the background of their own thinking is the social experience of their group. Their ideas can come from nowhere else, unless it be by that peculiar spiritual



Moses, giving the Ten Commandments, is a type of great religious leader.

experience called "revelation." But revelation is not susceptible of proof, and so lies outside the realm of social science. Half a dozen times in history men have appeared whose grasp of spiritual truth was so extraordinary and whose own personalities were so commanding that they became the founders of great religions. Belief differs as to the extent to which these men possessed a unique degree of divine character. The best of them did not claim to be fundamentally different from other men but emphasized the universal fatherhood of God and the essential divinity of all human individuals who were regarded as brothers.

Adequacy of Control

Just stop a moment and try to examine the motives of your own daily conduct. Try to realize how important are the following desires: the desire for self-respect, the desire for the good opinion of your fellow men, the desire to be in fashion and to escape indecency, impoliteness, and impropriety, the desire to live up to your moral principles, the desire to live up to your religious principles. If you are a normal member of society, as most human beings are, you will realize that the force of these combined desires is amply sufficient to keep your conduct in conformity with the expectation of your group practically all of the time. It is a fact, surprising when one first realizes it, that the law, in its repressive aspects, does not touch most of us at all. We think of the law as a great coercive force restricting us on all sides. But in point of fact, most of the things which the law forbids us to do most of us would not do if there were no law at all. The law is necessitated by the abnormal members of society, those who can not be controlled by the less forcible forms of social pressure.

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RAUSCHENBUSCH, WALTER, *Christianity and the Social Crisis.*
SMITH, SAMUEL G., *Religion in the Making.*

QUESTIONS

1. With what kinds of interests is religion concerned?

2. How did primitive man explain the natural phenomena that he observed around him?

3. What material provisions do primitive men make for the comfort of those who have died? Explain the notion that lies back of these customs.

4. Explain the importance of "ghosts" in the life of primitive men.

5. In what sense can one religion be "higher" than another? From the sociological point of view, what is the purpose of religion?

6. Name several unscientific practices, not mentioned in the text, which are or have been followed by men in the hope of controlling unseen forces.

7. Discuss the alleged antagonism between science and religion.

8. Explain the essential differences between science and religion. What bearing do these differences have upon either the truth or the value of religion?

9. What is ancestor worship? Explain how this type of religion originated.

10. How does a given religious code develop?

11. Explain how the religion of a community is limited by the cultural development of that community.

12. Try to find in the current newspapers evidence that some people still believe in ghosts

13. Explain how the expression, "to be beside one's self," may be derived from primitive notions of the soul

14 Make a list of the different religious organizations in your community.

TOPICS FOR FURTHER STUDY

Primitive notions of the soul. (Spencer, Herbert, *The Principles of Sociology*, Vol III, pages 3–26 Tylor, Edward B., *Anthropology*, pages 342–345, 349–352.)

The evil eye as an illustration of superstition. (Sumner, William G., *Folkways*, pages 515–520.)

Primitive burial customs. (Tylor, Edward B., *Anthropology*, pages 346–349.)

The development of the priesthood among the ancient Hebrews. (Smith, Samuel G., *Religion in the Making*, pages 90–106.)

CHAPTER X

RIGHTS

ONCE or twice in the foregoing pages mention has been made of the rights of the individual members of a society.

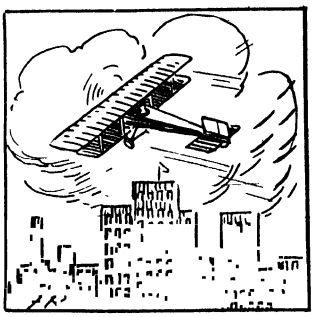
Nature of Rights

The question of rights is a very important one, about which there is a great deal of misunderstanding. A *right* is any claim with reference to which society will back up the individual. It used to be thought that certain rights were *God-given* or *natural*. The progress of social science, however, has shown that there is no such thing as a natural right. All rights that have any existence at all, which are not merely creations of the imagination, are given by society, not by God or Nature. If you examine any supposed right which is not definitely social, you will find that it exists solely in your own mind or in the minds of others who happen to think as you do. Usually you will find that it consists of something which you think society *ought* to guarantee its members or something which you think you *ought* to be allowed to do or to enjoy. But such supposed rights have no real existence; they are not social facts at all. Every true right is granted by society, and since civilized societies tend to agree on certain fundamentals, there are a number of basic claims in which practically all modern societies will support their members. These general rights are analogous to the general moral principles which we have

discussed. It is their general acceptance which gives them the illusion of being natural or God-given.

All Rights Social

Every society determines the rights which shall be granted to its members. It is natural that they should not be granted unconditionally, and they never are. Society invariably puts a string on every right it grants. This string consists in the requirement of a certain degree or kind of conformity before the claim will be supported. Every right is correlated with an obligation or a duty. If an individual fails to meet the conditions of conformity, he forfeits the right. There are no inalienable rights from the point of view of society. This is made clearer by a consideration of three of the rights which have most often been considered natural or inalienable — the rights to "life, liberty, and the pursuit of happiness." None of these is an unconditional right. Every execution for murder is a standing evidence that society reserves a final authority over the life of each of its members. We are permitted to keep our lives only so long as we live up to certain of the requirements of society. Even if a given society abolishes capital punishment, as it possibly will within the next few decades, it will not change the facts as to the location of the final authority over the life of the individual. As to the question of liberty, every prisoner in a jail or penitentiary, every sick person in a quarantined house, is a living witness to the fact that society gives us a right to liberty



Society places limits even on the use of the air

only on certain definite conditions. The deprivation of liberty may be due to conditions which are not in any sense the fault of the individual, as when a person is quarantined for scarlet fever. Here again, it is a question of public safety, not of morality. As far as the pursuit of happiness is concerned, we are hedged about with restrictions on every side. I may get great happiness from flying an airplane low over the heads of a crowd of people or from practicing on the saxophone in my hotel bedroom at three o'clock in the morning; but if I try either of these things I very soon find that I have no right to do them.

Privileges

Certain forms of rights are called "privileges." A *privilege* is a right which society grants to some of its members and not to others, or grants to some of its members on easier terms than to others. In many societies we find privileged and nonprivileged classes.

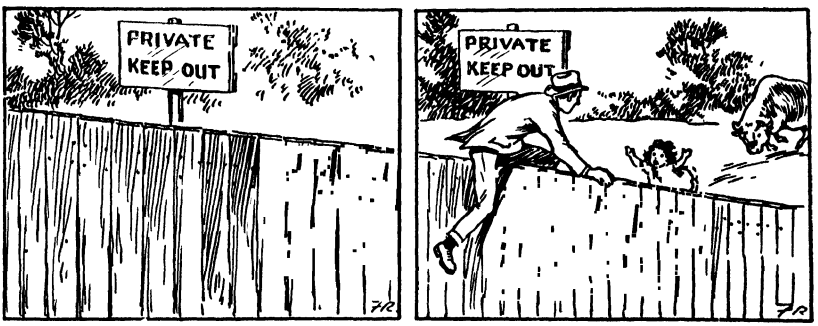
Moral and Legal Rights

In supporting those claims of its members that it recognizes as rights, society uses the various forms of pressure which are at its command, particularly public sentiment and the law. Some rights are backed up by public sentiment alone. These we call *moral rights*. Other rights are backed up by the law, and these we call *legal rights*. Most legal rights have also the support of public sentiment, at least in democracies. But this is not always the case. It is inevitable that moral rights should be less well defined than legal rights. One can not count with the same assurance on society's backing in a moral right as he can upon the backing of the law in a legal right. On the other hand, moral support is, in the long run, a more powerful force than legal support. Very

frequently a person values moral support for his conduct more than legal support if he can not have both.

It will be seen that the source of rights lies wherever the final authority of society is located. This means that moral rights are as a rule backed up by the entire society, though of course some individuals have more influence than others. No tyrant, no matter how great his personal power, is ever

Authority in Society



In special cases moral obligation sometimes rises superior to legal restrictions.

entirely free from the control of public sentiment and so can not establish rights according to his own free will. Legal rights, on the other hand, often have a much more restricted origin. For in despotic states the power and authority of the law are controlled by a very small portion of the population. In such societies privileges often take the place of general rights. Only in true democracies do legal rights tend to be as generally distributed throughout the population as moral rights.

In the same way that immoral acts are made crimes in proportion to their menace to social safety, so moral rights are made legal rights in proportion to their importance

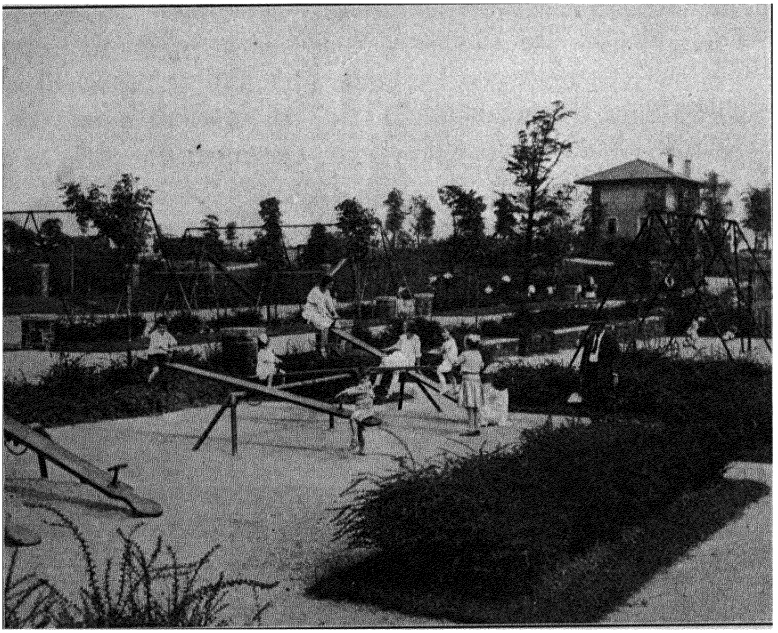
to social stability and progress. As was stated above, a legal right is usually more strictly defined than a moral right. The necessity of defining rights by law arises from the conflict of interests which has already been discussed. The extreme complication and interference of interests in modern societies has necessitated a great increase in the definition of rights by law. Out of this necessity has grown that great section of the law which we call the *civil law* in contrast to the *criminal law*. This branch of the law occupies a large portion of the time of our courts because the lawmakers can not possibly foresee, and provide for, every possible conflict of interests and define the rights to cover every case. The lawmakers lay down general principles of rights, and the judges have to decide how they apply to particular cases. The result is that there is often no imputation of wrongdoing against either party in a civil suit. Two men may enter a civil suit, each equally convinced that he has both moral and legal right on his side. It sometimes happens that two contesting parties in a conflict of interests will agree to start a suit in perfect good friendship in order to compel the courts to settle where the legal right lies. The great difficulty which sometimes exists in defining rights is shown by the frequency with which superior courts will reverse the decisions of lower courts.

Civil Law

We see, then, that the state, generally speaking, is the agency by which society gives definiteness and effective authority to its folkways and its public sentiment and opinion. The need of such definiteness has increased with the growing complexity of the social organization which has marked the evolu-

Extension of State Authority

lines, factories, mines, and steamships. They own forest preserves and water power. The sudden extension of government activities in the last century or two has been one of the most spectacular episodes in the whole history



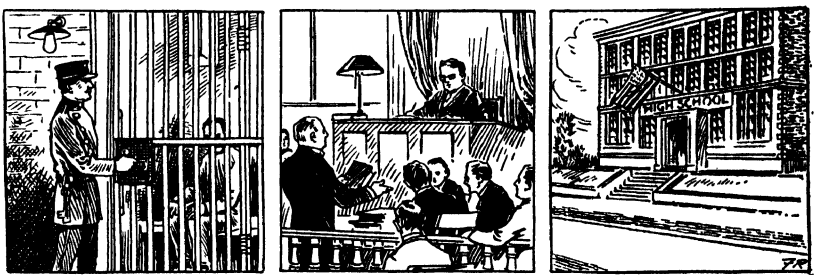
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A modern public playground at Hudson Heights, New Jersey.

of civilization. Many people are alarmed at the extent to which we have gone and wonder where it will all end. Others welcome every new step in this direction and look forward eagerly to the time when the state will own, or at least operate, all the important economic instruments and will exercise a dominating influence in many of the non-economic interests of its members.

We can distinguish, then, three distinct types of functions performed by the modern state. First, the repressive and coercive functions which have to do with the establishment of a criminal code and the prevention of crimes and the punishment of criminals. Second, the functions which have to do with the definition of rights and the guarantee and enforcement of rights among its members. Third, the developmental, constructive, or managerial functions, by which the state as a

Three Functions of State



Types of the coercive, definitive, and constructive functions of the state.

whole undertakes to do things in the interests of its individual members. These are sometimes called the "paternalistic" functions, because of the resemblance which they bear to the relations which a father bears to his child. The first two of these types are the outgrowth of conflicting interests; the third is the result of common interests. Many of the most vital public problems of to-day revolve around the extent to which it is advisable to enlarge this third type of state activity. Social science seeks to furnish the grounds for arriving at sound conclusions in these matters.

We have now taken a bird's-eye view of some of the important features of this great social organization and are able to understand partly how and why it works. We

have seen the feelings and desires of human individuals expressing themselves in interests. We have seen that some of these interests are divergent but that the great majority are either conflicting or common. We have observed that the first requirement for social organization is that some means shall be found of harmonizing conflicting interests, and the second requirement is that means shall be found for promoting and realizing common interests. To secure these results, societies have developed folkways, which represent their conceptions of the best or right ways to do things in order to secure social well-being. These folkways receive the full sanction of society as a whole, which expects conformity to them from its individual members. This conformity is accorded in so large a majority of cases that it comes to be taken for granted. This opens the way to individual profit through nonconformity on the part of unscrupulous persons. The great majority of persons are adequately controlled by public opinion which appeals to their vanity. Those who will not yield to this appeal have to be controlled by the state, which uses fear where that will work and force where fear will not work. In every society there grows up a general understanding as to the claims in which individuals will be supported by the group. These are rights. Most rights can be supported and enforced by the power of public sentiment alone. But in some cases public sentiment is inadequate, and then the state is once more utilized. Having thus learned to use the state to give definiteness and effective authority to the folkways where conflicting interests are involved, modern societies are beginning to use it more and more to facilitate the pursuit of common

Summary

interests. Some persons believe that this extension of state activity is secured at the cost of a loss of individual liberty and initiative which more than offsets any gain in efficiency which may come from state control. On this point, public opinion is very much divided.

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DEALEY, JAMES Q., *The Development of the State*, Chapter XIII.

KELLER, ALBERT G., *Societal Evolution*

RITCHIE, D. G., *Natural Rights*, Chapter V.

ZEUBLIN, CHARLES, *American Municipal Progress.*

QUESTIONS

1. Explain the statement that all rights are social in origin.

2. Name some important rights that affect you personally, and indicate the conditions upon which each right is granted

3. Define a privilege

4 What is meant by "moral rights" and "legal rights"? Name some rights that are moral but not legal

5. Explain the necessity of the "civil law"

6 Distinguish the three chief types of functions performed by the modern state Name some of the officials in your community who are engaged in carrying out these different functions.

TOPICS FOR FURTHER STUDY

The right of private property. (Mecklin, John M., *An Introduction to Social Ethics*, Chapter XVII. Ritchie, D. G., *Natural Rights*, Chapter XIII.)

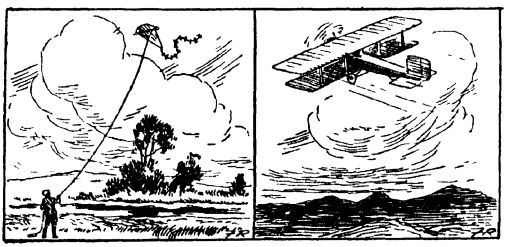
The relation of rights to the folkways. (Sumner, William G., *Folkways*, pages 65–70.)

CHAPTER XI

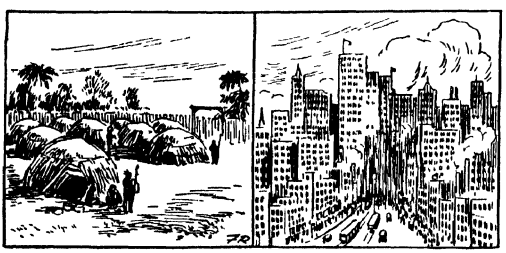
Economic Science: Wealth, Utility, Value

Social science is the science of living together in the relationships which make a society. Men have lived together from the dawn of human existence. They have lived together more and more closely with each step upward through the various phases or stages of social evolution. They have developed a marvelous mechanism for living together with a high degree of success and happiness.

Science *vs.* Trial and Error



Trial and error *vs* science.



Living together in early times and now.

Yet until very recently this mechanism has rested not upon scientific knowledge but upon the experiences of trial and failure, trial and success. The two kinds of progress may be illustrated by the case of two boys trying to make a kite. Both have heard of kites and know what they do, but neither

has ever seen one. One boy has no education whatever; the other has a good knowledge of the laws of physics. The first boy must work entirely in the dark, trying first this and then that in an entirely haphazard manner. After hundreds or thousands of trials he might happen to hit upon a contrivance that would fly. The other boy would sit down with pencil and paper, call to his aid his knowledge of the laws of motion and gravitation, of the composition of the air, of the nature of an inclined plane, etc., and after three or four experiments would produce a successful kite.

Arts of Life

Most of the devices which man has worked out for maintaining a social organization have been in the nature of arts, just as most of his devices for making a living have been, until recently, arts. So we often speak of the *social arts*, or the *arts of life*. As soon, however, as men got the idea of science and became familiar with the nature of true science through their studies in physical phenomena, they began to feel that there must also be a scientific basis for social phenomena, and they set to work to build up a science of society.

Scientific Method

Now in its primary aspect science does not make things any different from what they are. It simply finds out accurately *how* things are and works out an explanation of *why* they are as they are. It always follows three essential steps: first, the accurate observation of phenomena and the collection of facts; second, the classification of these facts in accordance with some logical system; third, the formation of general laws or principles the truth of which is demonstrated or *proved* by these classified facts. This aspect of science we

call "pure" science. Having learned why things are as they are, men are equipped to go to work intelligently to make them different. If the existing situation is not satisfactory, rules for controlling it or altering it are worked out from the laws and principles of pure science. This aspect of science is called "practical" or "applied" science.

Natural Forces and Natural Law

The possibility of working out a set of laws and principles to explain the *why* of any body of phenomena depends upon there being some regularity or fixity in the phenomena themselves. This, in turn, depends upon there being some fixed and unchangeable forces at work to occasion the phenomena. The idea of permanent and unvarying natural forces back of all natural phenomena is now fully accepted in all the physical sciences. We take it as a fact, for instance, that the force of gravitation not only remains constant under all present conditions but that it has always in the past been just the same as it is to-day and that it will remain the same as long as the world stands. So with the forces of motion, of light, of sound, of chemical affinity. We believe in the constancy of these forces so fully that we draw up laws, which we call *natural laws,* stating exactly how these forces will act under given conditions. No such laws would be possible if natural forces were unstable and capricious. If one day things fell down, and the next day they fell up, and the following day they fell north or southwest, without any regularity or system, it would upset the entire foundations of science. So the possibility of social science depends upon there being certain fixed and unvarying forces at work which produce the phenomena of social relationships. These forces must be inherent in human nature, since the human indi-

vidual is the unit in all social phenomena, just as the forces back of physical science are inherent in the nature of matter. We have already observed what the most important of these forces are; they are the instincts, feelings, and desires which are common to all humanity. Foremost among them are hunger, love, vanity, fear, the desire to know, love of life, and fear of death. If these forces were not essentially the same in all human beings, or if they varied in a haphazard way from time to time in a single individual, there could be no science of society. It is the fundamental likeness of the feelings and desires which makes social science possible; it is their almost infinite variations in individual cases which make social science so much less exact than the physical sciences and so much more difficult to reduce to definite laws.

One principle which may almost be considered as the corner stone of social science is the principle of *self-interest.* This simply means that the ordinary individual prefers to have a given object satisfy his own desires rather than the desires of some other person. In the case of conflicting interests, if we have the power to choose, we usually choose to promote our own interests rather than those of somebody else. This is clearly an instinctive quality, closely related to the primitive instinct of self-preservation or love of life. The history of

Force of Self-interest



Instinctive self-interest is modified by civilization.

civilization is largely a history of the modification of this quality and its partial subordination to the principle of altruism, or interest in the welfare of others.

Social Science

Social science, accordingly, sets out first of all to study the results which have come when men, endowed with similar feelings and desires and all animated primarily by self-interest, have undertaken to live in organized societies. It seeks to find out in what manner and by what means their desires actually are gratified. It seeks an explanation of the social institutions and relationships which have been developed in the effort to gratify desires. All this is pure science. After the pure science of society has been firmly established, we are ready to take its truths and attempt to put them to practical use in controlling social growth and improving the institutions of society.

Classification by Feelings

The most satisfactory way to study social relationships is to group them according to the basic feeling which lies back of them. In doing so, however, we must remember that the feelings seldom operate quite independently. We classify our social phenomena according to the feeling or desire which predominates in any particular case.

Hunger

Let us begin, then, with the most fundamental of all feelings, hunger. The phenomena in which this feeling predominates are grouped together, as already explained, under the head of self-maintenance. The *hunger* instinct or feeling in its broadest sense is that part of animal nature which leads to a desire for the products of the earth. In the lower animals, this is mainly confined to food. Most of them have no interest in any of

the products of the earth except as food. Some of them, like the birds or the hermit crabs, have an interest also in the materials for dwellings. We accordingly use the word "hunger" to indicate this whole group of feelings, desires, and interests because it is primary and because it is universal from the lowest species to the highest. But the higher we go in the scale of evolution the more varied and numerous do we find the phenomena in the self-maintenance group. Man desires the products of the earth not only for food, but for clothing, shelter, warmth, decoration, amusement, education, religious worship, and many other purposes. This first division of social science, which, as already stated, we call economics, deals with the phenomena which arise from the desire for material things.

There are two or three basic facts which it is well always to keep in mind in studying the economic department of social science. The first of these is that all living organisms are absolutely dependent upon the earth for their existence. The term customarily used to designate all the natural qualities of the earth is *land*. This includes not only the soil, but also the rocks, bodies of water, and even the atmosphere of the earth. Man is no exception to this rule. His animal nature makes him just as dependent upon the land as are any of the lower animals. The second fact to remember is that the amount and qualities of the land were fixed at the creation of the earth and have never been changed since nor ever will be. There is nothing on the earth to-day which has not always been here (with the insignificant exception of meteorites, etc.), and there is everything here now that there ever will be. The form of things changes

Importance of Land

as a result of the operations of Nature and of man, but the elemental qualities remain the same. All economic progress, accordingly, depends on utlizing in a more efficient way whatever the land has to offer. Since man's primary interest is in the products of the land and since the products of the land go to those who control or occupy the land, the control of land has been and still is a universal human interest. The desire for the control of land has been the



All life is primarily dependent on land.

motive for a very large and important part of man's activities.

Property

Before a material object can satisfy a human desire, it must, in some sense, come into the possession of the person who feels the desire. Possession by one usually means the exclusion of others. There are some things which we enjoy without in the least interfering with the enjoyment of others — beautiful sunsets, fresh breezes, the warm sun. But with most material objects of desire enjoyment means possession of a more or less monopolistic sort. The terms upon which material objects may be possessed are therefore of the greatest importance. In the earliest stages of human existence possession and ownership

must have been the same thing and determined solely by might.

> "For why? Because the good old rule
> Sufficeth them, the simple plan
> That they should take, who have the power,
> And they should keep, who can."

As long as this situation persisted, there could be no real social organization. Continuous conflicting interests in material objects would bring men into ceaseless conflict with



Possession of certain objects by one person keeps others from enjoying them
But some things — sunsets, fresh air, beautiful scenery — are free to all

each other or else into isolation. One of the first problems which men had to face in the organization of society was the establishment of some fixed terms of ownership. In other words, they had to establish property rights. *Property* is ownership guaranteed and sanctioned by society. The ownership of the earliest man was supported only by might; ownership in organized society is supported by the power of society and becomes a right.

Wealth

Any material object believed to be capable of satisfying a desire, and owned by a human being or a group of human beings, is called *wealth*. This use of the word, you will notice, is somewhat different from its use in everyday conversation. We ordinarily do not use the word wealth to refer to a person's possessions unless they are of considerable value. But in its scientific sense the word applies to anything owned by human beings if it has any value at all. A beggar may have nothing in the world but the rags on his back — they are wealth, nevertheless. It is important to distinguish clearly between property and wealth. Wealth is the thing itself; property is the title or claim to the thing which society assures to the individual. We must also distinguish between property and possession. Possession is the physical control over an object, which implies the possibility of using it to satisfy one's desires. Property is the right to use an object, which does not always carry the actual possibility of enjoying it. We may possess wealth which is not our property, and we may have property in wealth which we do not possess. For example, I buy a turkey for my Thanksgiving dinner. The process by which I get possession of the turkey is sanctioned by society, and so I possess it by right of property. During the night a thief breaks into my pantry and takes the turkey with him. The turkey is still my property, but the thief has possession of the wealth. Society supports my claim to the turkey and may put some of its officers to work to help me get possession of it. But it is quite likely that before they succeed the thief will have used the turkey to satisfy his desires. The wealth disappears or, as we say in economics, is "consumed," and my property is obliterated

because the wealth to which it refers has ceased to exist. I still have a right — the right to compensation — and if I ever succeed in locating the thief and proving his guilt, society will support me in a civil suit for damages against him.

Since so great a part of our desires can be satisfied only by material things, all men want wealth and spend a good share of their time in pursuit of it. There are two chief ways of getting wealth. One is to get it from Nature or make it; the other is to get it from somebody else. There are three main ways of getting wealth from somebody else: the first is to take it by force or steal it — that is, to get the wealth without the property; the second is to buy it; the third is to have it given to one. In the two last methods the property comes with the wealth because these methods are sanctioned by society. The science of economics does not concern itself with thefts, because they are abnormal and not a recognized social institution. Neither does it concern itself particularly with gifts because the motives which lead to gifts are irregular and spasmodic and can not be classified and so do not lend themselves to scientific treatment. The subject matter of economics as it is usually treated is the making and buying of wealth.

Acquirement of Wealth

The making of wealth in economics is called *production*. Remember that the definition of wealth includes ownership. An object is not wealth unless it is owned. In the earliest days of human existence production consisted almost entirely in getting possession. The objects already existed in Nature and became wealth by the mere act of appropriation. Ownership was established

Production

simply by taking possession. There is an old saying that "possession is nine points of the law." On the collection stage possession was all ten points. There were no property rights, and there was no law. When the first property rights were established, they probably took the form of sanctioning the idea that a thing belonged to the person who first found and took possession of it — as we say



In the earliest days production consisted almost entirely in simply taking possession

to-day, "findings are keepings." This right is fully in harmony with our elementary sense of justice.

Indispensable Factors

In this earliest and simplest form of production there were just two factors, the land and its products and the effort expended in taking possession. This effort expended in creating wealth by taking possession of natural products is a part of what we have called labor. The production of a given article of wealth in this way may demand much labor or little. The gathering of chestnuts under a fruitful tree requires very little labor; the robbing of a bird's nest on the top branches of the tree requires more labor; running down a jackrabbit requires still more. But, much or little, *some* labor is invariably required for the production of wealth. This truth, simple as it seems, is one of the basic laws of economics, and one most important to carry constantly in

mind. We see, then, that land and labor are the two primary and indispensable factors in the production of wealth.



Photo from Ewing Galloway

A combination of land and labor.

Now labor, generally speaking, is distasteful to men. There is in human nature a certain inertia, a certain disinclination to effort, which prevents men from exerting themselves except in the belief that exertion will result in the gratification of some desire. Labor, in the scientific sense, is "pain," something to be avoided. The result is that nothing becomes wealth unless some human being believes that it will satisfy some desire of his because otherwise no one will make the effort to produce it. The nature of wealth is determined

Desire for Wealth

by the nature of human feelings and desires. This in turn is determined partly by the folkways of different societies. In the matter of food, clothing, ornament, etc., things are wealth in one society which are not in another. A handful of fat white grubs may be wealth to a savage, because they will satisfy his hunger. To a civilized white man they are not wealth, unless possibly he believes that they will make good fish bait.

The quality of a material object which enables it to satisfy a human desire is called *utility*. Every item of wealth is believed by somebody to have utility. Most wealth actually does have utility, because long experience has taught the human race as a whole to know what will satisfy desire and what will not. But this is not always the case by any means. It is very important to grasp the fact that it is the belief in the utility of an object which leads to its becoming wealth. Many economic transactions deal with objects which have no real utility at all. There is a tradition, for instance, that the early settlers of the colony of Connecticut used to manufacture wooden nutmegs which they sold to unsuspecting housewives. Now the makers of these counterfeit nutmegs knew that they had no utility; but as long as there was some one who believed that they did have utility, they were wealth. They were bought and sold, and property rights in them were established. A very interesting illustration of this truth is that one of the earliest forms of wealth consisted in what are called "amulets" — that is, little, curious pieces of stick or stone or any other object which was believed to contain a good spirit. The possession of one of these objects gave the owner control of the spirit or made

Utility

him the beneficiary of the good will of the spirit. In other words, it brought him good luck. Now an amulet has no real utility. It does not satisfy any desire at all, except of course the desire created by its own fictitious utility — that is, the desire for an amulet. Yet amulets are among the most highly prized items of wealth among many primitive peoples. Thus many things are wealth which have no utility. On the other hand many things have utility which do not become wealth because their utility is not understood by any one, and so nobody takes the trouble to take possession of them. Anthracite coal is a good example of this kind of object. The deposits of anthracite coal in North America have been here from time immemorial. The coal has had the same qualities all the time. But, so far as we know, anthracite did not become wealth among the Indians because they had no idea of its uses. Neither did it become wealth among the white men for a long time, for the same reason. Finally the white settlers learned that it was good for road making, and so it became wealth of a not very important sort. It was not until its chief utility as a fuel was discovered that it became wealth of a so much-



Early forms of wealth, due to belief in their utility.

desired sort that we call lumps of hard coal "black diamonds." If you want to make a fortune, discover utility in some common material which has hitherto been thought useless — and then get the ownership of the material.

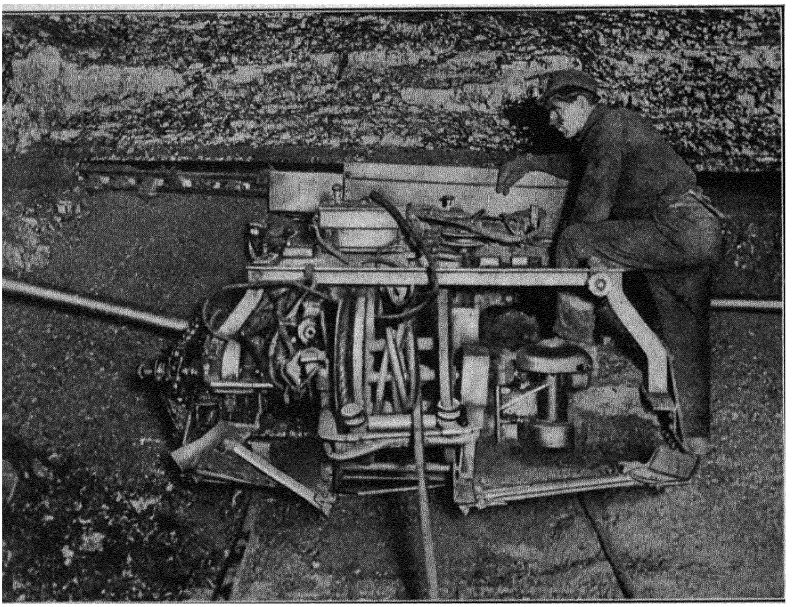


Photo from Ewing Galloway

A highly developed method of mining coal.

Value

It is a belief in the utility of things which leads men to desire them and to undergo the labor necessary to make them wealth. Desire is the motive power, just as it is in all social relations. The desire which actually exists for any object of wealth is called the *value* of that object. Value is perhaps the central idea in economic science, and it is necessary to get a clear and exact idea of its nature. Things have no value until some

human being desires them. Then their value is great or small according to the strength of the desire which is felt for them. Utility is a quality of the thing itself — its capacity to satisfy human desires. The utility is there whether anybody sees it or not. Value, on the other hand, is a quality of the human mind. We speak of the value *of* an object, but in point of fact value exists only in the mind. And its existence in the mind depends not on what the object is, but on what the mind believes it to be. We see, then, that in the strict sense it is incorrect to speak of the "true value" of an object or of "fair value" or "intrinsic value." The value of an object is nothing more nor less than the desire of a human being to possess it.

Varying Value

An object acquires value the moment a human being desires it. He may be the only person in the world who sees any utility in it. As a rule, however, the desires and beliefs of men are enough alike so that what has value to one will have value to many others. But it may have very different values to different people. As an example, take an old-fashioned table made by some early settler of Massachusetts during the Colonial period. It is standing in the kitchen of a farmhouse up in the hills. To its owner it is just a kitchen table, having the value that any table would have which would serve the purpose, and no more. Then one day there comes a professional dealer in antique furniture. He sees this table and recognizes it as an exceptionally fine piece of Colonial workmanship. His desire for it is very keen (though of course he takes pains to conceal it). He offers the owner a price for it which will enable the owner to buy a much stronger and more serviceable kitchen table, and the bar-

gain is concluded to the satisfaction of both parties. The dealer takes the table to his shop in Boston where it is seen by a woman who is furnishing her house with antique furniture. It is exactly what she desires to fill up a certain corner, and she buys it at a price much above what the dealer paid. Finally there comes to this woman's house a friend who, on admiring the table, suddenly discovers certain marks which identify it as a table made by her great-great-grandfather which had been lost out of the



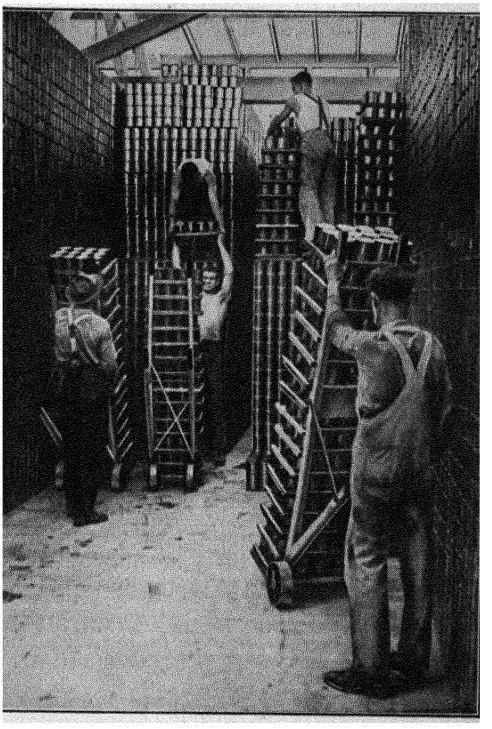
Utility is inherent in an object, value exists only in the mind. An antique table has very different values to different people.

family for years. Her desire for it is much greater than that of its present owner, being based not only on appreciation of the fine points of the table but on feelings of sentiment, and after a friendly negotiation she becomes its owner at a considerable advance in price.

Value Indefinite

It is most important to realize that objects do not have a fixed, constant, or fair value. Many mistakes in economic reasoning, and much ill feeling and bitterness in practical dealings, would be avoided if everybody could bear in mind the fact that the value of a thing is just the desire of somebody to possess it — nothing more, nothing less. The nearest

that we can come to a fixed or regular value is in the case of objects that are desired with about equal intensity by all human beings. These are, for the most part, the objects that satisfy the everyday, routine desires common to all humanity. As we pass from these desires to desires that are restricted to a small number of persons, the value of an object becomes more variable. In the case of an object of art, for instance, which can be appreciated by only a few experts, the value will vary between very wide extremes. Then when we pass into the realm of sentiment, superstition, or vanity, the fluctuations in value become quite indeterminable, because the desires defy all classification or generalization. Ordinary kitchen tables have a relatively stable value. The value of old Colonial furniture can never be predicted. The more nearly unique an object is, the more variable will its value be. For one's desire



Quantity production makes a relatively standard value. The storage room of a cannery in California.

for a particular object depends very much upon whether he believes that if he does not get this one, he can get another essentially like it. Objects which are standardized and turned out by the millions by what we call "quantity production" have a relatively standard value. One is as good as another. So when we are considering an object which both serves universal desires and is produced by the millions of uniform units, we find variations in value reduced to the minimum.

Value Immeasurable

But even in the commonest and most generally desired objects we can never be sure of the exact value. Since value is a quality of the human mind the measurement of value means the measurement of mental states. Now the psychologists, whose business it is, have not yet furnished us a means of measuring the intensity of feeling or desire on a comparative basis. It is not difficult often, in the case of an individual person, to compare the intensity of his desires for different things. We can easily find out that he wants one thing more than another. But as between two or more different individuals there is no known basis of comparison. The fact that one man will pay ten dollars for an object for which another man will pay only five proves nothing. For five dollars may mean ten times as much to the second man as ten dollars does to the first. It is not impossible that the actual intensity of desire and feeling may differ in different individuals. One of Dickens's characters, Mrs. Gummidge, was always saying that she "felt things more than other people." It may have been true.

This uncertainty of value lies always in the background of economics and keeps it from being as exact a science as

it would be convenient to have it. Fortunately, many economic phenomena are much more measurable and exact, and it is upon these that the laws and principles of economic science are based.

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TAUSSIG, FRANK W , *Principles of Economics*
FAIRCHILD, FRED R , *Essentials of Economics*
TURNER, JOHN R , *Introduction to Economics*
FAUBEL, ARTHUR L., *Principles of Economics.*

QUESTIONS

1. Describe the two different methods of progress based upon science and trial and error

2 Explain the difference between pure science and applied science and the relation between the two

3. Show how the possibility of a science is dependent upon the existence of fixed forces What are the basic forces in social science?

4. What is the program of social science in its two aspects?

5 What interests are grouped around the feeling of hunger?

6. Explain the fundamental character of man's dependence on land.

7. Define "property" and explain its importance in social evolution

8 Define "wealth" Distinguish clearly between wealth and property. Name several items of wealth that are your property Are you at present in possession of any wealth that is not your property? If so, explain the nature of the arrangement between yourself and the person who owns the property

9 Define "production." What is the earliest and simplest form of production? What factors are involved in this form?

10. Explain why a given material object becomes wealth

11. Define "utility" and "value," distinguishing clearly between them.

12. Explain the importance of belief in the determination of value.

13. Name one or more items of wealth which, so far as you know, have more value to you than to any one else.

TOPICS FOR FURTHER STUDY

Scientific methods in sociology. (Ellwood, Charles A., *Sociology in Its Psychological Aspects*, Chapter V.)

The mediaeval theory of value. (Haney, Lewis H., *History of Economic Thought*, pages 76–77.)

Growth of the idea of property. (Wells, H. G., *The Outline of History*, Vol. II, pages 341–343.)

CHAPTER XII

PRODUCTION

WE have seen that the two chief ways to get wealth are to produce it and to buy it. Producing clearly comes first both logically and chronologically. You can not buy an item of wealth until some one has produced it. Let us accordingly review some of the principal facts with reference to the production of wealth.

Scope of Economics

Social science does not concern itself particularly with the technical features of the production of wealth but only with those features which affect the relationships of men with each other in society. In studying the collection stage we need not inquire into the different *dexterities* which men developed, that is, the skillful methods by which they secured the various kinds of food that Nature provided. But we are interested in the effect that this mode of getting a living had upon the form of the social organization. Likewise, we need not take time to study the various kinds of weapons, traps, and snares used on the hunting stage, nor the methods of capturing, confining, and breeding animals that made the pastoral stage possible, nor the agricultural implements, fertilizers, and methods of planting and harvesting that came with the agricultural stage, nor the construction of the innumerable machines that characterize the industrial stage. All of these things are important and intensely interesting, but they are not the subject matter of social

science. This science is concerned with the social forms, institutions, and relationships that have grown up in accordance with these various types of economic activity. We have already noticed how profoundly the type of economic activity affects the form of the social organization. It should not be forgotten that there is also a reverse influence; that the form of the social organization has a decided effect on the type of economic activity. This is one of many cases which illustrate the truth that in social affairs influences tend to work in circles. You can not always tell what is cause and what is effect. Are men poor because they get drunk, or do they get drunk because they are poor?



This picture is an excellent illustration of a simple combination of land, labor, capital, management, and possibly ownership.

From the social point of view, the most important thing about the production of wealth is that it always involves at least two factors, and usually more. This fact creates two dif-

ferent sets of problems. The first set of problems has to do with how the different factors of production shall be combined; the second, with how the resulting product shall be divided between the different factors which have contributed. Most of the science of economics is concerned with these two sets of problems. And like every science, economics seeks first of all to find out how things are, to learn the facts, forces, laws, and principles, and then to consider how things may be changed to produce better results.

Combination of Factors:

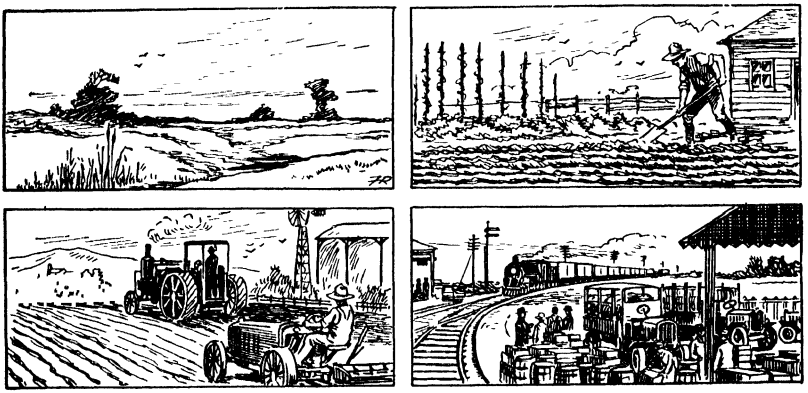
We have observed repeatedly that the two indispensable factors in production are *land* and *labor*, and that a third, almost as ancient and no less important, is *capital*. Virtually all important production is carried on, and has been for tens of thousands of years, by a combination of these three factors in varying proportions.

Capital

A combination of factors is necessary for production, but the factors will not combine themselves. In order that two or three of these factors shall be combined in a way which will result in the production of wealth, intelligence must be brought into play; a human mind must be added to the other factors. Obviously, the only one of the three factors which has a human mind inseparably associated with it is labor. This fact puts labor in a unique position among the factors of production. Labor consists of two distinct elements: first, physical energy furnished by the muscles, and second, directing intelligence. Labor is not only energy or power; it is self-directing power. The importance of this distinction is clear at once, but it will become clearer as we go

Human Element

along. The result is that in the simpler forms of production such as were practiced on the collection and hunting stages the combination of the three factors of produciton was managed so naturally by the laborer himself that the element of management is not noticeable at all. In fact, it is only recently, since production has become vastly



Land, labor, capital, and organization are the basic factors in production

more intricate and complicated, that it has occurred to anybody that there is a fourth factor in production.

Organization

This fourth factor is commonly called *organization*. It is an idea not easy to define, but, as we have seen, it consists in combining the other three factors into an effective unit and keeping them going. It involves the planning of processes of production, deciding what forms and what quantities of land, labor, and capital are needed, making arrangements to have these three factors present in the manner decided upon, directing and superintending the continuous processes of production after the plant has been assembled. Another name often given to this factor is *management*.

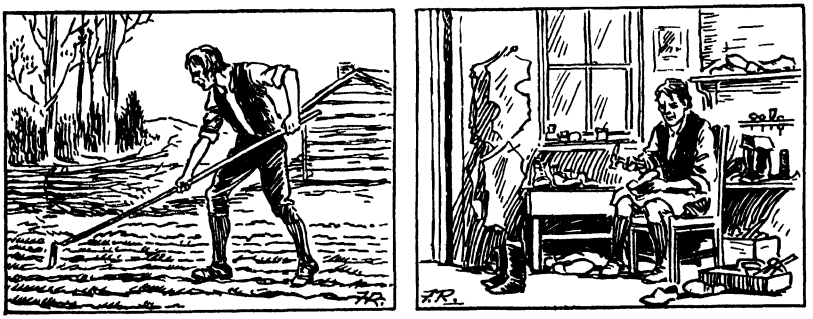
As we have seen, in the early and simple forms of production the factor of organization was naturally, and, as you might say, spontaneously or automatically furnished by the laborer. In fact, it was hardly distinguishable from labor, and that is why it took men so long to realize that it was really a separate factor. The savage on the collection stage directed his own activities. The primitive hunter made his own weapons, or possibly had his wife make them, or traded for them. At any rate he controlled the simple capital which was necessary for hunting and took it with him to the land which he had decided to hunt on. On the pastoral stage the flocks and herds belonged to the patriarchal families, the members of which took care of them. These workers were directed by the head of the family, who was, in a sense, the chief laborer. With the coming of the agricultural stage in its simpler forms, the land passed into the ownership of the laborer, who also owned the tools and implements and directed his own efforts. This situation still exists on thousands of farms in our own country. The farmer owns the land, the implements, and the live stock. The labor is performed by himself and his children or a few hired men, whose work the farmer directs. There is no thought of management as a separate function.

Organization Identified with Labor

So we see that for countless thousands of years the control and direction of production rested primarily with the laborer. As a more highly organized and complex form of society developed, such as prevailed in ancient Greece and Rome, a very different situation arose as we shall see later. But in the simpler communities, down to very recent times, the early

Labor Management

situation survived. Even in the early periods of the industrial stage the same conditions prevailed. Under the handicraft system, which was so finely developed in England a few centuries ago, the control of industry was with the master craftsman, who was the chief laborer. He owned his own workshop, which was often his home, and the land upon which it stood. He owned the simple capital required for his trade. He bought the raw materials. His assistants were his children and a few apprentices. The central



In simple forms of production, management is supplied by the chief laborer.

and dominating factor in the whole enterprise was the skilled labor which the master himself furnished.

Transition

Within the last two or three hundred years, however, a very remarkable change in this particular has taken place. It is the result of the sudden rise to importance of capital and especially of the particular form of capital which we call the *machine*. These are the things which give the distinctive character to the industrial stage on which we are now living, and in order to understand that stage and its problems it is necessary to have a clear idea of the nature of capital and of the machine.

We have already spent some time in getting the meaning of wealth in the economic sense. It is time now to observe that the different kinds of wealth are divided into two great classes according to the uses to which they are put — that is, the different kinds of utility which they possess. The earliest forms of wealth consisted in things suited to gratify human desires directly. Their utility lay in their adaptability to some feeling of

Consumables



The earliest forms of wealth satisfied human wants directly.

the human animal. All sorts of food became wealth because they would directly satisfy hunger; skins and other materials for clothing became wealth because they would gratify the desire for warmth and protection; oddly shaped sticks and stones became wealth because they satisfied the desire for an assurance of the aid of some spirit. So to-day countless kinds of wealth are desired for the same general reason. All forms of wealth which are used to gratify human desires directly are called *consumption wealth*, or *consumables*. Both of these terms are awkward, but it is necessary to have some term to distinguish wealth of this sort from wealth of the second sort which has more lately come to have very great importance.

This second sort of wealth includes all those instruments in the long series which began with the first tools or weapons.

Capital

It also includes any other forms of wealth whose utility lies not in their power to satisfy human desires directly but in their capacity to assist man in producing things which will satisfy his desires. We call them, accordingly, *production wealth*, or, more commonly, *capital*. Capital may be defined as any form of wealth which is used, not to satisfy human desires directly, but to aid man in producing more wealth. You will note that the significant word in this definition is "used." It is impossible to tell whether a given piece of wealth is consumable or capital unless you know how it is used or is to be used. A potato, for instance, is in the class of consumables if it is going to be baked and served on the table to satisfy the desire for food; it is capital, on the other hand, if it is going to be cut into pieces and planted in order to produce more potatoes. A stove is consumable if it is used to heat a living room; it is capital if it is used to melt lead to make bullets. Sometimes the dividing line is very difficult to determine. For example, a fishing rod and tackle are capital if they are used to produce wealth by taking fish from a river; but many people fish for the pleasure of fishing, not for the sake of the fish. To the extent that the user of the rod and tackle is interested in the fishing rather than in the fish the wealth is consumable. On the other hand, the fishing smacks and nets of commercial fishermen are clearly capital.

In the great majority of cases, however, a piece of wealth is clearly either consumable or capital. Mills, hammers, lathes, plows, oil drills, mine pumps are practically always

capital; shoes, breast-pins, tennis rackets, books, mince pies are practically always consumables. In determining whether a piece of wealth is consumable or capital we must not be led astray by the

Distinction

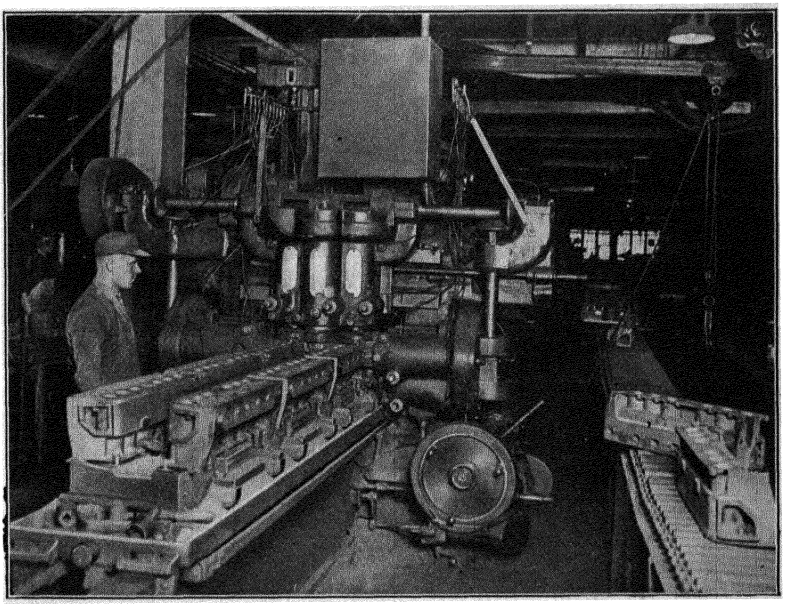
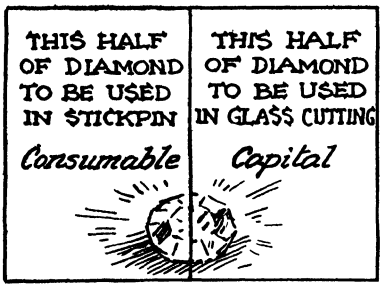


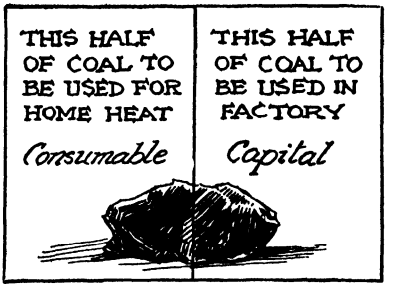
Photo from Ewing Galloway

Machinery is always capital.

ordinary meaning of the words "consume" and "consumption," which might lead us to suppose that consumable goods are always destroyed in the using. As a rule, to be sure, they are. Coal is destroyed in the burning, food in the eating, clothes in the wearing, etc. But it is not always so. A gold ring or a diamond pin may last almost forever, yet they are strictly consumption goods. On the other hand, many forms of capital are also destroyed in

the using. The coal used to turn the machinery of a shoe factory burns just as rapidly as the coal used to heat a dwelling, but it is capital. A diamond used as the point of a glass cutter lasts no longer than a diamond in a breastpin, but it is capital. The distinction between consumables and capital is not one of durability or destruction in use, but



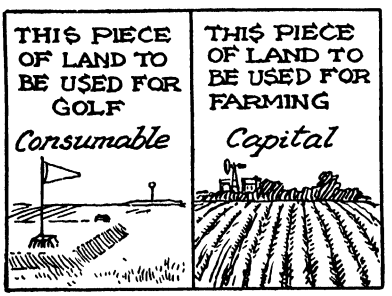


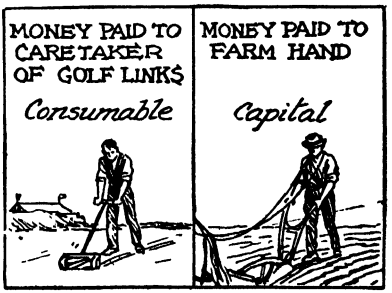
strictly a question of whether the wealth is used to satisfy human desires directly or to produce more wealth.

Land and Capital

For purposes of clearness, economists usually find it desirable to make a sharp distinction in definition between land and economic capital. Both are wealth, and both are used to produce more wealth. But they are wealth of such different natures that it aids economic analysis in many cases to keep them apart. On the other hand, it is necessary to remember that this distinction can be carried too far. For many of the purposes of social science the likenesses between land and capital are more significant than their differences. For example, in the problem of personal riches, a man may be rich by owning either land or capital. He can easily transfer his riches from one type to the other. A man who gets tired of owning a thousand-acre farm may easily be-

come the owner of a steamship or a department store. We must observe, also, that land itself may resemble either capital or consumable wealth according to its uses. Land used to raise agricultural crops or to support a factory or department store resembles capital. Land used for a golf course, a tennis court, or a private lawn is ordinarily consumable. Land used for a baseball diamond and owned by the team is in the nature of consumable wealth if the





players play for fun; it is in the nature of capital if they play for money.

A Broad Distinction

It is helpful to observe that the general distinction between capital things and consumable things applies not only to material commodities in the narrower sense and to land but to labor also. Land is of the nature of capital when it is used to produce wealth; consumable when it is used to gratify human desires directly. The same is true of labor. This distinction is often recognized by the use of the term "personal service labor," which includes domestic servants, barbers and bootblacks, etc., and in the broad sense should include also lawyers, doctors, opera singers, etc. Following custom, we use the word "capital" alone to signify capital

wealth. The difference in the principles which fix the prices of capital and consumable goods holds for land and labor as well as for capital in the narrow sense. This difference, as we shall see, shows itself particularly in the wide variations in the maximum price which buyers are willing to pay.

Evolution of Capital

The distinctive progress of the human species along the pathway of civilization has been largely the result of the development of capital instruments as an aid in production. As far as the other factors of production, land and labor, are concerned, even the lower animals use them in getting their living. We have already suggested this in our reference to man as the "tool-using" or "tool-making" animal. Tools were the earliest forms of capital. The effect of a tool is to increase its user's mastery over Nature. The steady progression from the first stone hammer to the marvels of modern machinery has been accompanied by a steady increase in man's ability to control the operation of natural forces and bring them into subjection to his will. This ascent has been by an unbroken chain of steps. But once or twice in the history of capital changes have taken place which were revolutionary in their effects. The most important of these was the change from the supremacy of the tool to the supremacy of the machine.

Tools

It is not easy to make a hard and fast distinction between a tool and a machine. The essential differences, however, are familiar to us all. In the first place a *tool* is a simple device usually designed to increase the power or effectiveness of the human hand. We have already observed that the stone hammer has the effect

of a hard fist at the end of a long arm. The early flint scraper was an improvement on the finger nails or teeth. The digging-stick, with which the first cultivation of the soil was done, was an improvement on the fingers. Tools as a rule are held in the hand (sometimes the toes or teeth) and applied directly to the material which is being worked

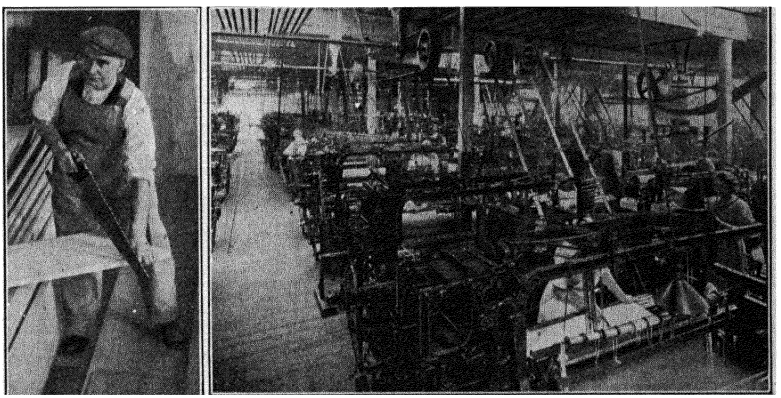


Photo by Ewing Galloway

A tool (the saw in this picture) is subordinate to the worker; the machine reduces the human element to a minimum and sometimes almost eliminates it.

on, wood, stone, earth, bone, leather, or whatnot. The effectiveness of the result accomplished — that is to say, the success in producing wealth — depends partly on the quality of the tool, but much more on the intelligence, strength, and manual dexterity of the operator. The tool is strictly an aid to man in producing wealth — the human element is still supreme.

Machines

When we turn to the machine, we find a different situation. In the first place a *machine* is more complex than a tool, composed of several different parts articulated so as to work together. One of these parts, the part which bears directly upon the ma-

terial, is still a tool. But this tool is no longer operated by a human hand or directed by a human eye. The second essential part of a machine is a device to supplant the human hand in holding the tool. An excellent example is the familiar machine known as a lathe. Every lathe is supplied with a set of tools, drills, knives, buffers, etc., which are nothing more than adaptations of the jackknife, chisel, and gimlet familiar to every boy. But these tools are held by the main portion of the machine which directs them against the wood or metal that is being shaped with greater force, accuracy, and tirelessness than any human hand and arm could supply. In the simpler forms of lathe the human being is still an essential. He supplies the power by hand or foot and keeps the material in the proper relation to the cutting instrument. But in the more elaborate lathes, those where the machine principle is carried to its farthest extreme, both of these functions are performed by the machine itself, and the human element is reduced to a minimum. The essential features of a typical machine, then, are four: a tool, a device to hold the tool and the material and keep them in the desired relation to each other, a source of power, and a means of transmitting power. The tendency of machine development, therefore, is to substitute mechanical devices, first, for the human hand and arm, second, for human energy, and third, for the human eye and the intelligence back of it. The goal of machine construction is to get rid of the human element altogether, and while this has never yet been wholly accomplished, the so-called "automatic machines" come close to it. A remarkable example of this is the airplane operated by wireless. And even where

human beings are still required, they have become entirely subordinate to the machines. In tool production the material device is simply an aid to man; in machine production the man is an adjunct of the material device, an attendant or "hand." In the typical factory the activities of the human workers are governed wholly by the nature of the machines they tend. What the machine-designers have not been able to entrust to the machines, the human beings are called on to do, at such speeds and in such ways as will make the machines most effective.

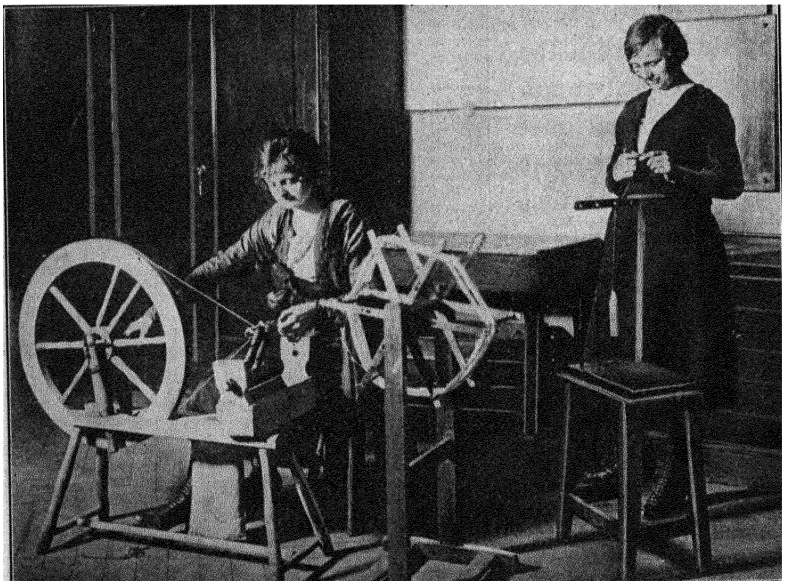


Old women in Italy spinning yarn by hand.

Now machines of various sorts have been known for a long time and have been used by men in various parts of the world to help them in production. But the rise of the machine to a commanding position in the economic life of the world is a matter of hardly a century and a half. It began in England with some remarkable inventions for use in what we call the textile industries — that is, the spinning of yarn and

Industrial Stage: *Beginning*

the weaving of cloth. These machines were designed to do work which had heretofore been done by highly skilled laborers, some of the master craftsmen we have spoken of. The machines were so successful that the old craftsmen very soon found that they had nothing to do. For the



An old-fashioned spinning wheel, now used for instruction in a textile school in Berlin.

machines could work much more rapidly, accurately, and tirelessly than the best craftsmen, and much more cheaply. Of course there had to be some labor attached to the machine, but it was such low-grade labor that a child of six or eight could supply it. The machine took the place of human intelligence and training.

Other inventions which came along at about the same

time as these textile machines were the steam engine, the use of coal as fuel, and the enlarged uses of iron. As the machine supplanted human intelligence, so the steam engine supplanted human energy. *Increase*

Of course there had been forms of nonhuman power in use from time immemorial, — water, wind, animals, etc. — but



© *Photo by Ewing Galloway*

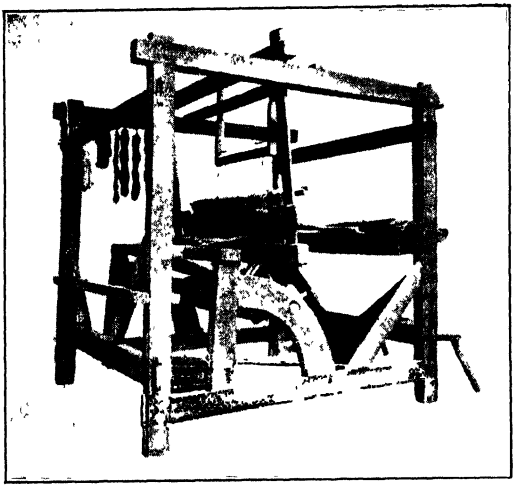
A modern silk-weaving room.

they were too limited in amount and in adaptability to go far in doing away with human labor. But the possibilities of the steam engine in this direction were almost unlimited.

So was ushered in the industrial stage. We can not stop to trace the steps in its whirlwind development. In brief,

it has been an almost incredible multiplication of machines and of external power. To the original textile machines have been added machines to mine coal, machines to plant and harvest grain, machines to milk cows, machines to transport goods by land and water, machines to manufacture every conceivable kind of article. And to the steam engine have been added the electric motor and the internal combustion (gas, gasolene, or kerosene) engine. Along with the development of this combination of machinery and mechanical power there inevitably came the *factory* — that great hive of industry, where numbers of workers are gathered together under one roof, serving as attendants to insatiable machines driven by unflagging mechanical power.

Factories



An old rag carpet loom

Just now we are interested in seeing how this change — so revolutionary that it has been called the Industrial Revolution — affected the relationships between the factors of production. In this respect the most striking effect was the transfer of the control of industry from the laborer to the owner of the capital. This was inevitable for three reasons. In

Industrial Revolution

the first place, capital assumed such a predominant position that the owner of the capital was in a position to take command of the other factors. In the second place, the labor demanded by the machines was of so low a grade that those who supplied it did not have the intelligence to under-

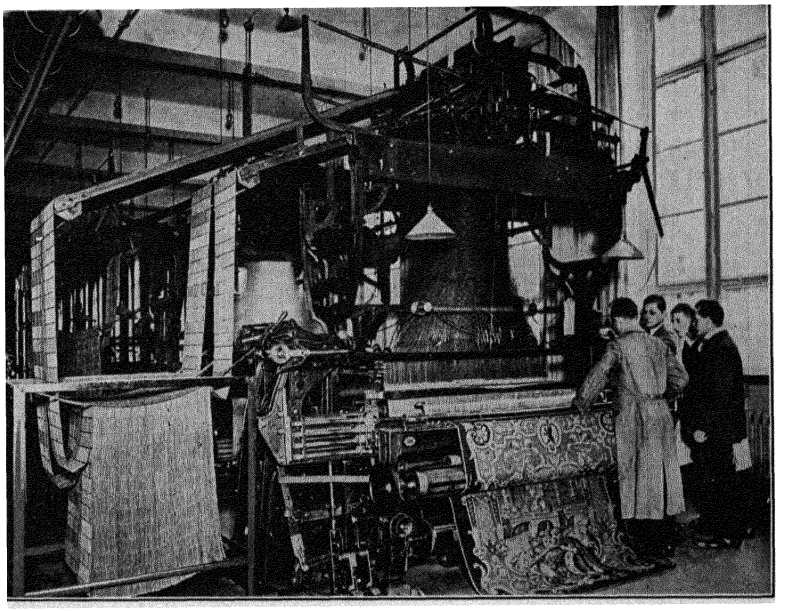


Photo by Ewing Galloway

A Jacquard carpet-weaving loom controlled automatically.

take organization. In the third place, the type of intelligence required for the complicated and difficult organization of the new system was of a wholly different sort from that developed by the old handicraft system and much more likely to be possessed by the owner of capital than by a skilled workman. The mechanization of production has accordingly been accompanied by a continuous transfer of

the control of industry from labor to capital — that is, to the owner of capital. That is why we refer to the present period as the capitalistic era.

It should be observed that a still further change in the same general direction is taking place in recent years. The

Ownership

factor of organization is gradually separating itself from all of the other factors and becoming a distinct and recognizable element by itself. Those who provide this factor are becoming a definite and established group, the organizers and managers. They are paid for their contribution just like those who provide the other factors. The control of industry is passing to another element which is just emerging as a separate factor — *ownership*. Those who control and direct the industry characteristic of to-day are those who own the *combinations* of land, labor, capital, and organization, that is, the businesses themselves as effective units. And these owners are still capitalists. But more of this later.

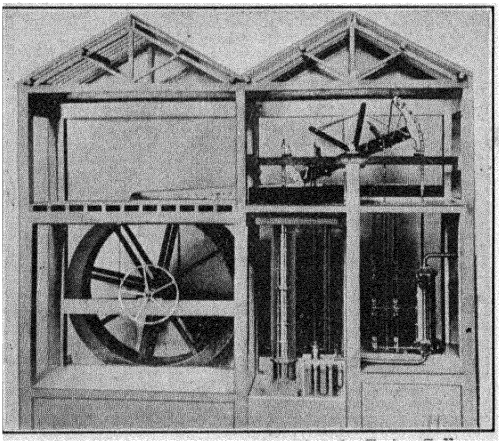


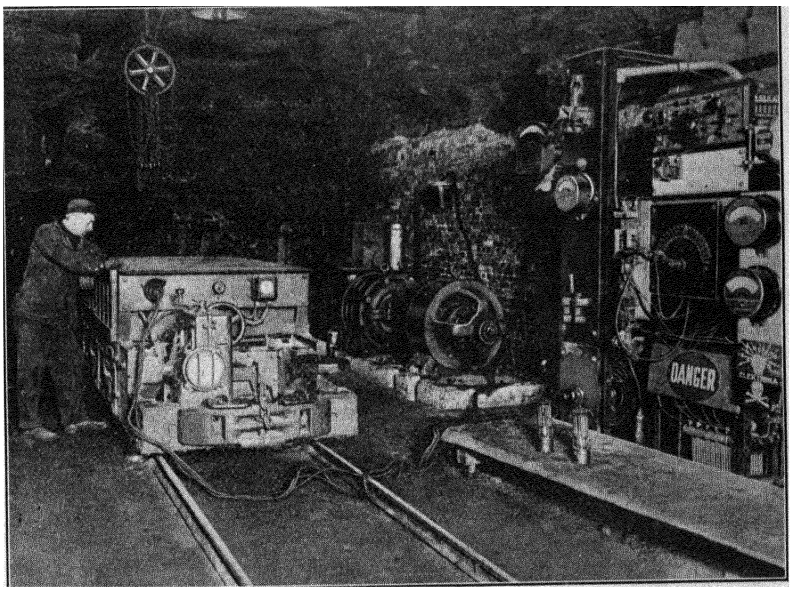
Photo by Ewing Galloway

Watt's steam engine, the basis of all modern machinery.

Any change in social relationships so vital as the shift of the control of industry from labor to capital is bound to have far-reaching and profound effects. To a very large

extent the problems of the twentieth century arise directly out of this revolutionary change. Their solution must therefore be some form of compensation for, or nullification of, the effects of this

Results



Machinery is largely used in modern mines. Electric locomotives, like this one in a Kentucky coal mine, now do work which used to be performed by women and children.

change. What this solution will prove to be would take a prophet indeed to predict.

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See Chapter XI.
HOBSON, JOHN A., *The Evolution of Modern Capitalism.*
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MÜLLER-LYER, F., *The History of Social Development,* pages 97–131.

QUESTIONS

1. What are the two sets of problems that arise from the necessity of combining two or more factors in production?

2. Explain the unique position of labor among the factors of production.

3. Define "organization" as a factor in production, and explain the part it plays.

4. How has the relation of labor to organization changed in the past two hundred years?

5. Name several productive enterprises that you know of in which the factors of labor and organization are furnished by the same individual.

6. Distinguish clearly between "consumption wealth" and "production wealth." What other word is commonly used for the latter term?

7. Name several items of wealth that are sometimes capital and sometimes not, showing what determines which they shall be.

8. Name some items of wealth that are practically always capital. Some that are practically never capital.

9. Explain the significant differences between a tool and a machine.

10. In what sense is the modern era correctly called the "machine age"?

11. Give a description of some particular machine that you are familiar with, pointing out the features that are common to all machines.

12. Show how the Industrial Revolution affected the position of labor in the industrial organization.

TOPICS FOR FURTHER STUDY

The industrial significance of machinery. (Hobson, John A., *The Evolution of Modern Capitalism*, Chapters II and III.)

The human significance of machinery (Williams, Whiting, *What's on the Worker's Mind*, Chapters XI and XII.)

The Industrial Revolution. (Wells, H. G., *The Outline of History*, Vol. II, pages 393–399. Ely, Richard T., *Outlines of Economics*, pages 42–50, 72–80.)

CHAPTER XIII

Distribution. Bargains. Price

It was stated on an earlier page that the two great sets of problems in economics arise out of two facts, first, the necessity of combining two or more factors, and second, the necessity of apportioning the product among the factors so combined. With reference to the first we have seen that the effect of recent social evolution has been to transfer the control of production from labor to capital, then to separate organization or management as a distinct factor apart from the others, and to bring into prominence a fifth factor, the ownership of the enterprise.

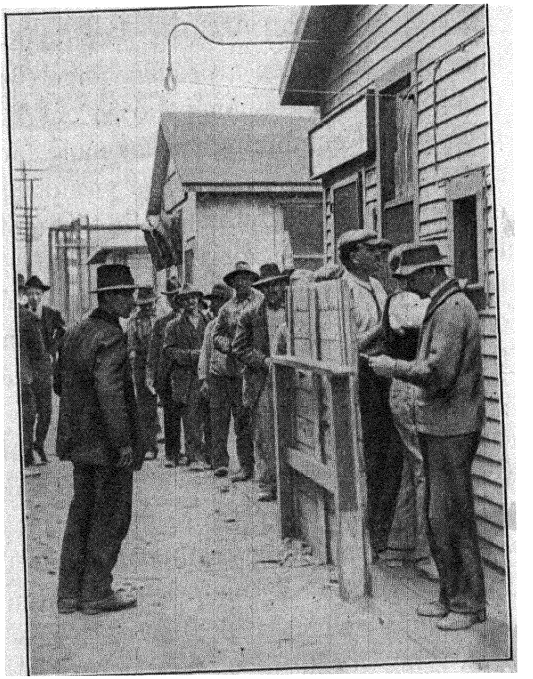
With reference to the second set of problems the first thing to observe is that when we speak of distributing the product of industry we ordinarily mean distributing something equivalent in value to the product. The actual product is often not of a character which will allow it to be distributed without destroying its utility. You can not distribute a grand piano or a steamship or a watch among the factors which have coöperated in its production. Even when the product is of a sort such that it could be distributed, as for instance sugar or potatoes or birdshot, it is not customary actually to divide it up among the factors of production. When this is done we call it "payment in kind." Ordinarily, under modern conditions, the distribution is done by means of money. Accordingly, when we speak of distributing

Distribution by Money

the product of industry, it should be understood that it is an amount of money equal in value to the total value of the product which is distributed.

Distribution: *Principles*

The second thing to observe is that of the different factors of production some are inseparably connected with a human being while others are not. In the first class are labor, organization, and ownership. In the second class, land and capital. The proportion of the product which is credited to labor naturally goes to the persons whose bodies furnish the labor. The same is true of organization and ownership. But it is impossible to pay anything to land or capital. The share of these factors must go to some human beings. Societies all over the world have almost universally adopted the principle that the share of the product which is credited to land and to capital respectively should be paid to the



The distribution of the product of industry is customarily made in the form of money — the men in the line at the pay-master's window are receiving cash, not goods.

persons who *own* the land and the capital. The way in which this distribution actually takes place in any society is therefore determined partly by the system of ownership, — that is, the property rights — which is included in the folkways of that particular society. In discussing this question we shall ordinarily have in mind the system of property rights that prevails in the United States, which



There are two great classes of income, service income and property income The owner pays his employees for service rendered; he receives in turn the income from the sale of property

does not differ materially from that in most other civilized countries. These facts result in a division of the persons who receive the product of industry into two different groups. In the first group are all those who receive a return on account of work done; in the second group are all those who receive a return on account of wealth owned. This has led to a division of the whole income of society into two great classes, *service income* and *property income.* This is one of the things which we had in mind when, on a previous page, we stated that for many sociological pur-

poses it is more useful to class land and capital together than it is to separate them.

Our first problem, then, is to discover how and upon what principles the product of industry actually has been distributed in the past and is distributed to-day among the different factors of production. The first principle which we encounter is the principle of *egoism*, or self-interest, which has already been explained. The whole science of economics rests upon the assumption of the truth of this principle. This principle, however, is not necessarily permanent in its present form. It is a startling thing to realize that if the basic precepts of Christianity were ever to be generally accepted, every economics textbook in use to-day would have to be thrown into the waste-basket. Christianity teaches us that "it is more blessed to give than to receive" and tells us "thou shalt love thy neighbor as thyself" and "whatsoever ye would that men should do to you, do ye even so to them." The science of economics assumes that it is more blessed to receive than to give, that men do not love their neighbors as themselves, and that we do not do unto others as we would like to have them do unto us. This is an excellent illustration of the intrinsic difference between the social sciences and the physical sciences. The physical sciences rest on forces which are inherent in the nature of matter and which we believe to be constant for all time. The social sciences rest upon forces which are inherent in the nature and processes of men's minds. Now the human mind is by no means a fixed, stable thing. It is going through a process of evolutionary development which has by no means reached its end. While, as we have seen,

Egoism

there are some basic features of the human mind which are so unchanging as to serve as a basis for scientific treatment, there are other features which are changing so constantly that it is doubtful whether the social sciences can ever be as exact as the physical sciences (although we often hear people speak of them, especially economics, as if they were). One of these features is the comparative weight which the average man gives to his own interests and the interests of other people — in other words, the balance between egoism and altruism. If this balance continues to shift in favor of altruism as rapidly as it has done since ancient Roman times or even since the Middle Ages, there will be a very different sort of society a few hundred years hence from what we have now, and many of our economic laws will have to be rewritten.

However, at present we are interested in discovering how the product of industry *is*, and *has been*, distributed among the factors that produce it, and this has certainly been on the principle of self-interest, that is, a great predominance of egoism over altruism on the part of most men.

Custom

Another important fact is that the actual methods of distribution in any society are largely a matter of the folkways of that particular society, and, like all folkways, can not wholly be explained on the basis of logic or reason. Custom, tradition, and status have a great deal to do with it. One of the most remarkable illustrations of this truth is furnished by the feudal system such as prevailed in Europe a few hundred years ago, when almost all economic relationships were settled by custom instead of by contract as at present. Consequently a logical explanation of an economic process

is almost always simpler and more clean-cut than the actual facts of life. Nevertheless, back of all folkways and custom and tradition certain great principles are at work, and these can be understood only by means of a logical analysis. It is the nearest we can come to a true, general explanation of the economic facts.

As has already been suggested, the problem of distribution hardly arose as long as men lived on the elementary stages of economic organization. As long as the land belonged to nobody, or was held in common by the group, and capital consisted in simple implements which belonged to the worker, there was no question about the distribution of the product. It all belonged to the worker. But as soon as land began to be privately owned and capital became an important factor owned by persons other than the workers, distribution became a vital problem. Two or more persons had to come to an agreement before production could begin, an agreement as to how the factors which each controlled should be combined and how the resulting product should be apportioned. This agreement was invariably in the form of a bargain, and it is therefore necessary to get a clear understanding of the nature of a bargain. In fact, nothing is more important for a grasp of economics than an

Bargains: *Origin*



Private ownership of land is one of the things which cause the wage bargain.

understanding of a bargain, since the economic life is largely — almost entirely — a matter of buying and selling.

First of all a bargain is a combination of common and conflicting interests, with the conflicting interests subordinated to the common but still in existence. The common interest consists in the desire of each party that the bargain shall take place since both expect to be better off for it. The conflicting interests

Struggle





Every bargain involves a struggle Under modern conditions the terms of the bargain are often the obscure result of a long series of struggles running clear back to primitive times.

arise from the fact that each party wants to give as little as he possibly can and get as much as he can. Every bargain therefore represents a struggle, though the fact of the struggle is often concealed by the effects of custom or tradition. In some cases the struggle took place long ago, and we to-day accept as customary the conditions that resulted from that struggle. In many cases the struggle is divided up between so many people that no one individual is conscious of the fact that he is a part of it. This is

illustrated by the very frequent instances when we buy staple goods over a counter at what appears to be a fixed price or pay fare for a ride on a trolley car.

Variable Factors

In every bargain there are a number of variable and uncertain factors at work on each side. There is, for instance, the knowledge of each party as to the quality, scarcity, and true utility of the objects bargained for. There are the varying degrees of egoism and altruism, honesty and trickiness, frankness and cunning possessed by the two parties. Most of all, there is the question of the value which the objects possess in the minds of the two parties. This matter of value is the most essential thing in every bargain.

Mutual Gain

We have seen that value exists only in the mind of a human being and that there is no way of measuring it exactly nor of comparing values in two different minds. In every true bargain there is a gain in value to each of the parties and therefore a net gain in value to society. Each of the parties values the object he is to receive more than the object he is to give. Otherwise the bargain would not take place. But there is no way of telling how great is the surplus value in the mind of either party nor whether one party gains more value than the other. A simple illustration will serve to make this clear.

An Example

Imagine a savage in a primitive group who has had a lucky day collecting chestnuts and is returning to his "home" with his skin sack bulging with wealth. On his way he meets another savage of the same clan. Ordinarily he does not feel very kindly toward this other man because their hunting grounds over-

lap more or less and their interests are of the conflicting variety. But to-day he notices that this other man has also had a lucky day. He has discovered a fox's den and is bringing home four fat, young fox cubs. Now savage number one has enough chestnuts to fully satisfy his hunger, but he thinks that a fox cub would taste mighty good. In the meantime savage number two is thinking the same about some chestnuts. In the end they forget their rivalries for the time and settle down to dicker. The result of the bargain is that they agree to exchange a quarter of a sackful of chestnuts for a cub. Even then, each continues to look longingly on the wealth of the other, and after much deliberation another quarter sackful of chestnuts is exchanged for another cub. But beyond this they will not go. Each has got rid of enough of his original kind of wealth so that each unit that remains has a higher value than any single unit had to begin with. Correspondingly, each has secured enough of the wealth of the other so that the remaining units of that kind of wealth have less value than they had at first. Both have more value than they started with, but there is no way of telling exactly how much more.

Some such simple, primitive transaction as this was the beginning of the great economic device which we call the exchange of wealth, or, more commonly, buying and selling. It shows why commerce is a means of increasing the value of the wealth of society hardly second in importance to production.

Exchange:

It is a very common notion, from which a great deal of confusion arises, that the values of the commodities in an exchange are identical. They are never identical in the

mind of either party or, as has been stated, the transaction would not take place. If savage number one did not value the second cub more than the second quarter sackful of nuts, he would not have taken the trouble to measure out the nuts. There is a story of a certain famous man who is said to have remarked that it was a matter of complete indifference to him whether he lived or died. Some one asked him why, if that was the case, he did not kill himself, and he replied, "Because it is a matter of indifference." If a boy "swaps" a jackknife for a baseball, he values the baseball somewhat more than the knife, whereas the other boy values the knife more than the ball. There is always *some* margin of value in the thing received over the thing given, and we can seldom tell how great this margin is. It may be much; it may be little. We never know how much more the purchaser might have been willing to give if he had had to. Savage number one may have wanted the first cub so much that he would have given a third of a sackful of nuts for it instead of a quarter. He did not need to, because number two was quite willing to accept a quarter. Just how much surplus value each party to an exchange gets depends on the terms of the bargain, and these in turn depend quite largely on the skill and knowledge of the bargainers. There is no reason why the two surplus values should be equal or even approximately equal. A shrewd guess as to the value which the other party puts on the object in question is a great aid in bargaining.

Surplus Value

In highly civilized countries where competition has full play, standardized commodities which are in general demand tend to be sold at relatively fixed prices, which, it is assumed, leave only a reasonable surplus value for the

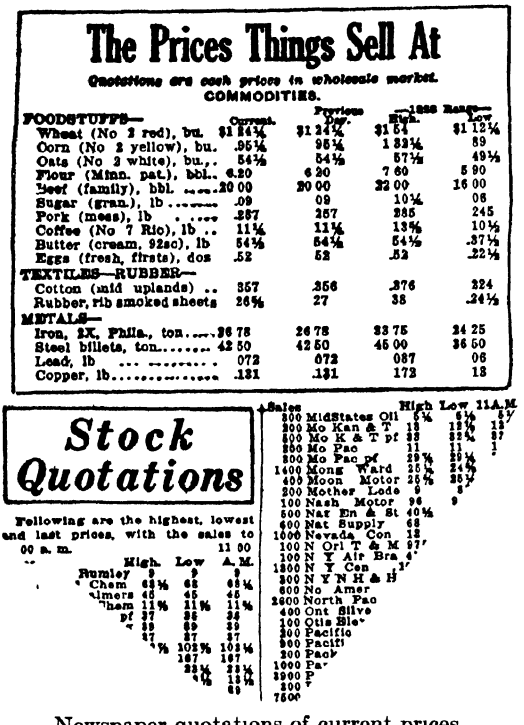
purchaser and bring only a reasonable surplus value to the seller. With certain classes of commodities, however, the expedient of an auction is resorted to. The auction is a most interesting economic device which helps us to understand some of the points we have been talking about. The purpose of an auction is to get the highest possible price for articles which do not have a relatively uniform value. These high prices are secured in two ways: first, by finding out who, among all those present, values the article the highest; second, by compelling this person to reduce his surplus value to the lowest possible point. The success of this device depends, of course, on attracting to the auction the particular persons who value the commodities on sale most highly. If this is not done, it may happen that a commodity will be sold for less at auction than it would eventually bring if put on a counter at a fixed price like ordinary retail goods.

Auction

We have already used the word "price" two or three times, and it is time now to stop and see exactly what a price is, as it is impossible otherwise fully to understand bargaining. A *price* is the amount of any commodity for which another commodity is exchanged. Every time an exchange takes place a price is established, and without exchange there can be no price. There is a sharp distinction between a price and either utility or value. Utility is a quality of material objects and is there whether anybody knows it or not. Value is a quality of the human mind and is there whether the object in question is possessed or not. But there is no price until an exchange takes place, and then the price is determined by the terms of the exchange. A striking illustra-

Price:

tion of this truth is afforded by the recent sale at auction by the American Museum of Natural History of a dinosaur's egg guaranteed to be at least 10,000,000 years old. The official in charge of the sale observed that it was impossible to fix a price for dinosaur's eggs as *none had ever been sold.* It is easy to understand, also, why this object was peculiarly adapted to the method of sale at auction. Price is accordingly a definite, concrete, exact reality, which can be expressed in positive terms. Prices can be reduced to figures, added, multiplied, averaged, and set down in statistical tables. Utilities and values can not. The price of a quarter sackful of chestnuts is one fox cub, and the price of one fox cub is a quarter sackful of chestnuts — on a given occasion. Next day the prices might have been very different, but for the time they were definite. It follows that the exact and mathematical portions of economic science are largely questions of prices.



The Prices Things Sell At

Quotations are cash prices in wholesale market.

COMMODITIES.

	Current.	Previous Day.	1898 High.	1898 Low
FOODSTUFFS—				
Wheat (No 2 red), bu.	$1 14¼	$1 14¼	$1 54	$1 12¼
Corn (No 2 yellow), bu.	.95¼	95¼	1 33¼	89
Oats (No 2 white), bu..	54½	54½	57½	49½
Flour (Minn. pat.), bbl..	6 20	6 20	7 60	5 90
Beef (family), bbl.	20 00	20 00	32 00	16 00
Sugar (gran.), lb	.09	09	10¼	08
Pork (mess), lb	.257	257	285	245
Coffee (No 7 Rio), lb ..	11¼	11¼	13⅝	10½
Butter (cream, 92sc), lb	54½	54½	54½	.37½
Eggs (fresh, firsts), doz	.52	52	.52	.22½
TEXTILES—RUBBER—				
Cotton (mid uplands) ..	357	356	376	324
Rubber, rib smoked sheets	26⅝	27	38	.24½
METALS—				
Iron, 2X, Phila., ton	26 78	26 78	33 75	24 25
Steel billets, ton	42 50	42 50	45 00	36 50
Lead, lb	072	072	087	06
Copper, lb	.131	.131	173	13

Stock Quotations

Following are the highest, lowest and last prices, with the sales to 00 a. m. 11 00 A. M.

	High.	Low	A. M.
Rumley	9	9	9
Chem	68¾	68	68¼
timers	45	45	45
hem	11⅝	11⅝	11⅝
pf	37	36	36
	39	39	39
	37	37	37
	⅛	102⅝	103⅛
		107	107
		22¼	22¼
		⅛	13⅛
			69

Sales		High	Low	11 A. M.
300	MidStates Oil	6¼	6⅛	6⅛
200	Mo Kan & T	13	12¾	13
400	Mo K & T pf	38	37¾	37
800	Mo Pac	11	11	1
800	Mo Pac pf	25⅝	25¼	
1400	Mong Ward	25⅝	24⅝	
400	Moon Motor	25⅝	25⅜	
200	Mother Lode	9	8	
100	Nash Motor	96	9	
200	Nat En & St	40⅝		
400	Nat Supply	68		
1000	Nevada Con	13		
100	N Ori T & M	97		
100	N Y Air Bra	4		
1200	N Y Con	1		
300	N Y N H & H			
600	No Amer			
2600	North Pac			
400	Ont Silve			
100	Otis Ste			
200	Pacific			
900	Pacifi			
200	Pack			
1000	Pa			
3900	P			
200				
7500				

Newspaper quotations of current prices.

It may seem, at first thought, that this conception of price contradicts much of your everyday experience. You go into a store to buy something, and you ask the price. You are told that the price is so much. It looks as if the dealer fixed the price before the transaction took place. But when the dealer names a price, all he really means is that that is the price at which the exchange will take place if it takes place at all. Until the exchange does take place, there is no real price. You, as customer, have exactly the same authority to fix the price as the dealer has. This fact is frequently recognized, particularly in stock transactions, by the use of the terms "price asked," or selling price, and "price bid," or buying price. Unless the two are identical in a given case, there is no real price at all. The reason why we get this impression is that in highly civilized countries where free competition prevails, most commodities come to be sold on the "fixed price" system. That is, the dealer learns by experience — in other words, by the result of a long series of past struggles — the price which most of his customers will be willing to pay, a price which corresponds with the customary values among that group of customers, and he fixes the price at that point and refuses to sell at any other. His customers either take the goods at that price or leave them. A wise customer may go around the corner and get exactly the same commodity at a price twenty-five per cent lower. Most people have certain stores which they habitually patronize, and they buy goods at those stores at the prices asked, assuming that the prices bear a reasonable relation to customary values. When the dealer, for reasons of his own, finds it expedient to have a sale at cut prices,

Dealer and Customer

he supports this assumption by marking a commodity "Value $5.00; Price $2.98." One gets a very striking contrast to the fixed price system when he goes to a less civilized country, Turkey, for instance, where the custom of "bargaining" prevails. The customer selects the commodity he wants and asks the price. The dealer promptly names a price several times larger than he is willing to accept. The customer pretends to be scandalized and names a price several times lower than he is willing to pay. The dealer then proceeds to come down a little, and the customer to go up a little, until finally they meet at a common point, and an actual price is established. This case illustrates forcibly the truth already stated that the terms of a bargain, and therefore the price, are determined partly by the skill and knowledge of the two parties, in which the dealer is likely to have the advantage.

Barter

In the early stages of the institution of exchange all sorts of commodities were exchanged for each other at random. Chestnuts were exchanged for fox cubs, stone hammers for bear skins, amulets for salt, and so on. The practice of exchanging all sorts of goods for each other is called *barter*. This was a great advantage over the custom of every man producing everything for himself, for a number of reasons. Among other things, it fostered the division of labor by which each man is encouraged to do the thing he can do best. If one man became especially expert in making stone hammers, he could spend all his time making them and exchange them for the other things he needed. Another man who was exceptionally skillful in hunting bears could spend all his time hunting and exchange his game for other things. But barter has many

limitations. In the first place, before an exchange can take place, you must find somebody who not only has what you want but also wants what you have. Suppose the savage with the fox cubs knew that his wife had been collecting chestnuts all day and had an ample supply at the home hearth. The savage with the chestnuts could not have made a trade. In the second place, many commodities will not keep, and unless you can use them at once, you will not trade for them even though you expect to be able to use them in the future. Two savages might meet, one with a large supply of fish, and the other with enough fish for the day and a large supply of honey. The first one would be glad to exchange some of his fish for some of the honey, and the other would like to do so too, but he knows by experience that the fish will not keep for future use while the honey will, and so he will not barter. In the third place, even though each party wants what the other has, you can not make a trade unless the commodities can be matched as a whole against each other. Many, if not most, commodities come in units which can not be broken up without loss of utility. In such a case, unless the values are such that a unit can be exchanged for a unit or for several units, there can be no exchange. For example, suppose that one savage has two stone hammers, and another savage, two feather cloaks. Number one would like a feather cloak, and number two would like a stone hammer. But when they begin to bargain they discover that while number two would exchange a cloak for two hammers he will not for one, and while number one would give one hammer for a cloak he will not give two. Neither the hammers nor the cloaks can be broken up, and so no exchange takes

place. If it had been possible to establish a price, it would have been, let us say, one and one-half hammers for one cloak. But that is impossible.

Medium of Exchange

As a result of these conditions it came about that in the development of barter certain commodities were more readily accepted in exchange than others. These were, in the first place, commodities which everybody in the group wanted, that is, which had "general desirability," or common value. You will accept something in exchange even if you do not want



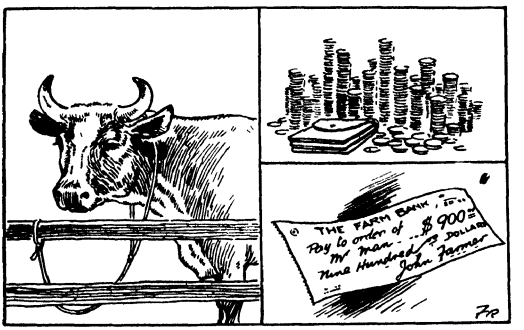
Cattle, slaves, tobacco, and innumerable other commodities have served as money

it yourself provided you know that you will be able to pass it on to some one else for something you do want. But in order to do this you must know that it will keep — that is, that is has "durability." Consequently, in all primitive societies, objects came to be commonly used in exchange that had both general desirability and durability. What these commodities were in any particular group depended upon the folkways of the group. Some of the things which have actually been used have been cattle, slaves, iron hoes, wampum, red-headed woodpeckers' heads, skins, and shirts. A commodity so used becomes what we call a *medium of exchange*. Many of the things mentioned, however, failed to overcome the third difficulty mentioned above; that is,

they did not have "divisibility." A cow, divided up, loses much of its utility, and a slave similarly treated (except in a cannibalistic society) loses all its utility. If a commodity could be found which had all three qualities, trade was very much facilitated thereby. Such a commodity was found among the early American colonists, for instance, in tobacco which served for a long time in the South as the accepted medium of exchange.

A commodity which is recognized in any community as the standard medium of exchange is called *money*. To be satisfactory, money must have at least the three essential qualities of general desirability, durability, and divisibility. Gradually, all over the world, certain commodities came to be recognized as having these qualities in a peculiar degree and in addition other qualities which made them well suited to serve as money. These were what we call the precious metals, the most notable of which is gold. Gold has become accordingly the one universal money, and it is important to understand clearly why. In the first place, gold has general desirability due to its attractive color and its luster. Gold is the money metal first of all because it is shiny. Because of its shine people all over

Money:

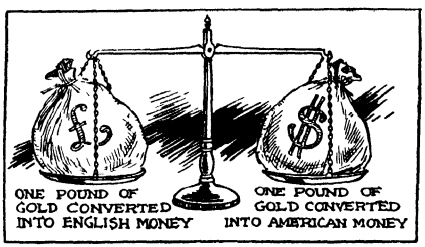


Coins and checks can be made to cover a wide range of values; a cow can not

the world have wanted it and still want it for ornaments, for utensils, for decorations of all sorts. Without this universal attraction it could never have become the universal money. In the second place, it has durability. Gold lasts forever except under very unusual chemical conditions. A short time ago some excavators on the site of the ancient city of Sardis dug up thirty gold coins of old King Crœsus. They were as bright and shiny as when they were minted twenty-five hundred years ago. In the third place, it has divisibility. Gold can be divided up into indefinitely small units without loss of utility. If the process is carried too far, the units become inconvenient because of their smallness. So we turn to the next most important precious metal, silver, which has many of the qualities of gold. After silver come copper and nickel.

Precious Metals

Now in addition to the three essentials of money, gold and silver have certain other qualities which add to their usefulness as money. In the first place, they have a very high value relative to most other commodities in proportion to their size or weight. One can easily carry about with him enough gold to do a great deal of ordinary purchasing. Silver is not so convenient in this respect. There is a story of a party of travelers from the eastern part of the United States making the trip across the continent in an automobile. They all rode on the front seat until they got into the land of the



A given amount of gold has the same value whatever its name.

silver dollar, when the bulging pockets of the driver forced one of the others to sit on the rear seat. But for the same reason, as already stated, silver is more convenient for the smaller transactions. In the second place, the precious metals have uniformity. A pound of gold is a pound of gold anywhere on earth, and one pound is just the same as any other pound. In the third place, gold and silver are easily recognizable and identifiable. In the fourth place, they can easily be formed into standard uniform units which we call "coins."

Extension of Money

So great are the advantages of carrying on exchange by use of money that the progress of civilization has been accompanied everywhere by the abandonment of barter and the use of money in all buying and selling. It is hard for us to conceive of exchange without the medium of money.

Standard of Value

In addition to its use as a medium of exchange money has another related use, which is hardly secondary in importance. This is its use as a measure and standard of value. We have already seen that the only way we can measure values is in a comparative sense. We value one thing more or less, and so many times more or less, than another thing. For many purposes this comparison of values is very necessary. So the habit has grown up of referring all values to the commodity which is used in all exchanges, money. If you want to compare the values of any two things — a house and an automobile, a catcher's mask and a tennis racket, a trip around the world and a college education — you almost invariably reduce them both to terms of dollars and cents. Prices are practically always quoted in terms of money. This is

obviously a very great convenience, but it has one very serious drawback. It creates the impression that money itself has a fixed and stable value. This is an error into which almost every one of us falls more or less completely. It will help us to guard against it if we remember that money is, after all, only a commodity. It is a peculiar commodity. The money metals have two separate utilities, one as money, the other their "use in the arts." Their utility as money originated in their utility in the arts and still rests ultimately on that basis. When you sell anything for money, you actually buy money. Value is the ultimate test, and the value of commodities is quite independent of their money price. It depends upon their believed capacity to gratify human desires. This is forcibly illustrated by the monetary history of the United States in the last quarter of a century when average prices have more than doubled. It is as absurd to call this change an increase in the values of commodities in general as it is for the raw recruit in a military organization to say, "Everybody in the company is out of step but me." There is no reason to suppose that the values of commodities in general have changed at all. A pound of beefsteak, a five-roomed house, a bicycle do not gratify desires any more now than they did twenty-five years ago. What has happened is that the relative value of money has been cut in two. It takes twice as much money to procure the means for a given gratification as it did before. Money is very far from being an unchanging standard of value, as a yardstick is an unchanging standard of length, because the value of money itself fluctuates.

But in spite of all its disadvantages gold and silver money is not only the most satisfactory medium of

exchange but also the most satisfactory standard of value that men have yet been able to devise. Until something better is discovered, we must stick to this.

Secondary Money

Perhaps this statement strikes you as strange, in view of the fact that a great deal of the money you handle is neither gold nor silver, but copper, nickel, and especially paper. It is perfectly true that modern monetary systems, for purposes of convenience, make use of other forms of money than gold and silver. But in every sound monetary system in the world to-day these other forms of money are merely representations of a certain amount of gold or silver. Every such piece of money can, at the holder's will, be redeemed in a fixed amount of either gold or silver, and its value is dependent on the value of the precious metals. The monetary systems of the civilized world rest on gold or silver or both.

It is easy to understand that the earliest monetary systems were supported by the power of habit, custom, and tradition rather than by law. It was the folk-

Coinage

ways of each group which caused a certain commodity to become the money of that group. The desirability of that commodity was an established fact, and there was little temptation to fraudulent practices. But as the importance of money grew, and as societies tended to rely more and more exclusively upon gold and silver, it became very important that the money of the society should be safeguarded in the most effective way. This was especially true since it is possible to make imitations of gold and silver coins which will deceive the ordinary person. So eventually governments took the monetary system under their own control, and the coinage of money was made a

government monopoly. The imitation of lawful money, or "counterfeiting," was made a crime, the seriousness of which, as has already been explained, was measured not by the loss to any individual but by the weakening of the foundations of the economic structure of society. One of the leading functions of civilized governments to-day is to guarantee and stabilize the currency.

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KELLER, ALBERT G , and BISHOP, AVARD L , *Commercial and Industrial Geography.*

KINLEY, DAVID, *Money.*

NEARING, SCOTT, *Income.*

WHITE, H., *Money and Banking.*

QUESTIONS

1. Explain clearly the distinction between "service income" and "property income"

2. Show how the factor of self-interest gives an unstable character to economic laws.

3. Why can social science never be exact to the same degree as the sciences of physics or chemistry?

4. What is the influence of the folkways upon the distribution of wealth?

5. Explain clearly how a bargain is a test of the relative power of the parties concerned.

6. Explain how total value is increased by the process of exchange.

7. Is exchange a method of producing wealth? Justify your answer.

8. Define "price," distinguishing it clearly from value and showing the relation between the two.

9. Explain as fully as possible why the method of an auction was selected for the sale of a dinosaur's egg by the American Museum of Natural History.

10. What is barter? Have you ever engaged in barter? If so, give examples.

11. Explain the necessary limitations of barter as a form of exchange.

12. Explain the origin of money.

13. What are the chief characteristics of a good money commodity? What commodity possesses these characteristics most completely? Explain

14. Explain the two chief uses or functions of money.

TOPICS FOR FURTHER STUDY

The development of money. (Sumner, William G., *Folkways*, pages 141–157)

Trade and the advancement of civilization (Gregory, Herbert E., Keller, Albert G , and Bishop, Avard L , *Physical, and Commercial Geography*, pages 223–231)

The monetary system of the United States (Fairchild, F R., *Essentials of Economics*, pages 207–214)

Early monetary systems in North America. (White, H., *Money and Banking*, Chapter I.)

CHAPTER XIV

Supply and Demand

We see, then, that every bargain results in a price, and in these days practically all prices are expressed in terms of money.

We are trying to find the general principles which underlie all bargains in order that we may explain as accurately as possible each different type of bargain or any particular bargain that we may be interested in. We have seen that one of these general principles is the principle of "predominant egoism," which means that as a rule people prefer to promote their own interests rather than the interests of other people. A second general principle is what is usually called in economics *diminishing utility*. This means simply that the more you have of anything the less you value any given unit or amount of that thing. In many ways it is more helpful to call this principle "diminishing value" rather than diminishing utility.

Diminishing Utility

The principle of diminishing value is a necessary result of the nature of human desire. Every desire becomes less keen the more fully it is gratified. If gratification is unlimited, the time comes when the desire ceases altogether. This is called the point of "satiety." But it is usually only a temporary condition. Gradually the desire revives, and if gratification is postponed the desire eventually becomes as strong as ever.

Diminishing Desire

The simplest and most familiar illustration of this is found in hunger — the desire for food. Every one is familiar with this regular fluctuation in desire which corresponds with our custom of three meals a day. Many people, of course, seldom reach the point of satiety with reference to food, but at least their hunger is periodically reduced to the point where it is not especially painful.

Examples of Diminishing Desire

The result of diminishing desire is that, while in one sense all identical objects have an equal value, as soon as the element of possession comes in or (to put it in another way) when the objects are presented in a series, they have a very different value. Imagine our savage friend picking up chestnuts.



To the consumer each successive unit in a series has less value; the dealer bases his judgments on his knowledge of his customers' desires

He has found a fruitful spot, and the nuts lie thick all around him. He starts gathering with great eagerness and heaps the nuts up in a pile. By and by his enthusiasm begins to wane, and he works more slowly, but the pile still grows. Finally there comes a time when it does not seem worth while to pick up a single other chestnut, though they may still be gathered as easily as at the beginning. He stops work altogether, leans up against his pile of chestnuts, and goes to sleep. The same thing holds true of civilized people.

If you go into a store to buy a baseball, each one of the dozens of League balls in the store has the same value to you. But the minute you have bought one, each of the remaining ones has a lessened value. (In all of this discussion one should think of things with reference to using them himself. When one buys things to sell or even to give away, while the principles remain the same, the situation becomes more complicated and so less easy to understand.) Or again, in the middle of a hot summer afternoon you are glad enough to pay a nickel for the first ice-cream cone. Probably you get some surplus value — that is, you might have been willing to pay as much as a quarter if you could not have got one for less. Very likely you willingly pay another nickel for a second cone. But you debate about paying five cents for the third cone and will hardly pay more than one or two cents for the fourth. If you kept it up, the time would come when the sight of an ice-cream cone would make you sick.

Variations in Desire

We have already seen that some kinds of consumable wealth are destroyed in the using while other kinds of consumables are more or less durable. The more durable an object is, the longer does it take for the desire for a new one to return to its original strength. There is also a difference among different kinds of wealth as to the suddenness of the drop in value from the first unit to the second, and from the second to the third, and so on. If a boy is buying marbles for the spring games, the decline in value of the successive marbles is very gradual. But with grand pianos the situation is very different. Most people have no use for more than one grand piano and would not take a second one as a gift

(for their own use, remember). Even people to whom money is no consideration do not care for more than a few grand pianos — one or two for each of their houses. The same thing is true, in varying degrees, with all sorts of objects — shoes, hats, steam yachts, bicycles, baseball bats, dwelling houses, etc. Nobody — no man, at least — wants more than a limited number of shoes and hats, no matter how much money he may have. Of course, this principle of diminishing value holds only for articles which gratify the same desire, that is, which are virtually identical. There is a familiar story of two girls who were discussing what one of them should give to a friend for Christmas. "Why don't you give her a book?" said number one. "Oh, no!" said number two, "she has a book." This was a mistaken application of the principle of diminishing value. "A book" and another copy of the same book are very different things. With reference to genuine objects of art this principle hardly applies. The true lover of pictures can not have too many paintings because no two paintings are alike.

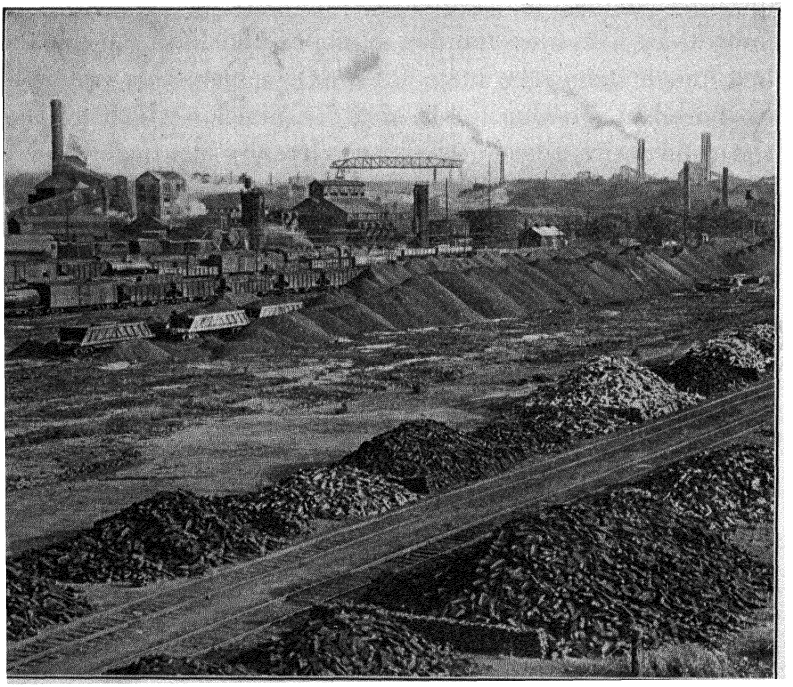
Limit of Desire

The desire of any individual for any given object at any given time is not only a declining one, but it has a definite limit. Therefore the desire of any individual for all objects is also limited. It follows that the desire of a whole society for all known objects at any given time is limited. It would be perfectly possible, theoretically, to have a general overproduction of all goods. This has never happened nor is it likely to happen, but it is important to realize the possibility in studying the problems of bargaining.

The persons who desire any given object constitute what is called the *demand* for that object. But from the point

of view of bargaining desire alone does not amount to much. The person who attempts to bargain for an object when he has nothing to give in return receives no attention and has no effect in establishing a price. The only demand which counts for anything

Demand



© *Ewing Galloway*

Demand brings large-scale production, hence, reduction in price.

in economic processes is desire coupled with the ability to pay. This is what economists call "effective demand." The total demand for a commodity at any given time, therefore, is the total amount of money which is ready to be spent for that commodity at that time. This demand

does not indicate *how many* units of the commodity are demanded. This depends upon how the effective demand is divided up among different individuals. A $1,000,000 demand for a certain kind of automobile may represent fifty persons who are ready to pay $20,000 apiece or two hundred persons who are ready to pay $5000 apiece. In other words, the *quantity* demanded depends upon the price which the sellers are willing to take. There is no such thing as a quantitative demand apart from price. As a general rule, the quantitative demand increases progressively with a decline in price, the final limit being the point of total satiety for the whole market with reference to the commodity in question.

Supply:

The persons who are ready to sell an object at any given time represent the *supply* of that object. They are divided into two groups; first, those who own the object for the purpose of selling it — that is, the dealers; and second, those who own the object primarily for their own use, but who would be induced to sell it if the price were high enough. This latter group includes practically all owners. For, aside from considerations of sentiment, most people would sell anything they possess if the price were high enough. This was strikingly illustrated in the period following the Great War when there was a great shortage of dwelling houses in this country. Agents actually went about ringing people's doorbells and asking if they would sell their houses. And a great many people did sell them. The actual supply is determined by the quantity of the given object in existence at the time.

It is clear that the considerations which determine the price at which these two factors in supply will sell their

possessions are somewhat different. In the first place, the dealers are actively eager to sell their goods, while other owners hardly think of selling until some one brings it to their attention, and then they usually have to be persuaded. In the second place, the lower limits of the price at which the goods will be offered differ between the two groups. The dealer, except in emergencies, will not sell at less than the goods cost him. The user will not sell for less than it will cost him to replace the article, except in cases of distress when he may be forced to sell for whatever he can get. The user, also, is influenced by various considerations of sentiment which do not affect the dealer at all. In the third place, the principle of diminishing utility does not apply to goods held for sale by dealers. A dealer will sell his last article just as cheaply as the first. In fact, he will often sell a large number to a single purchaser at a special rate lower than the price for a single article. In practically all economic problems the dealers affect the supply side of bargains a great deal more than the user group, though it must be confessed that some of the explanations frequently given in economic discussions seem to imply that the user group is more important. It is clear that in fixing supply as well as demand, price is a constant and indispensable factor.

Two Principles of Supply

Here we have the background for the great *law of supply and demand* which is the heart and center of economic science as it is usually understood. Stated in plain terms this law is something like this: an increase in the demand for an article or a decrease in its supply tends to raise the price; a decrease

Law of Supply and Demand:

in the demand or an increase in the supply tends to lower the price. The actual price at any given time is fixed by a balance between the existing demand and the existing supply. An increase in demand means either an increase in the number of people who are willing to pay a given price or a general rise in the prices which people in general are willing to pay. An increase in supply means a larger number of commodities offered at a given price or a general lowering of the price by those who possess the commodity.

Limits of Law of Supply and Demand

It should be clearly understood that this law is true only in the broadest possible sense and only as expressing "tendencies." Any limited and specific application of it is based upon certain assumptions, few if any of which are ever fulfilled in actual life. For instance, the law as usually stated assumes that "there can be only one price for a given article in a given market at a given time." This, in turn, assumes full and free competition, which means that everybody will buy where he can buy the cheapest and that dealers will sell to those who will pay the most. As we have already seen, there are innumerable factors of intelligence, honesty, vanity, custom, etc. which enter into every bargain and prevent full and free competition. Custom plays an immense part in the fixing of prices, custom as to previous prices, custom as to the stores where one trades, custom as to the sort of goods one purchases. Any one who cares to take the time to do a little "shopping around" in one of our larger cities will have his eyes opened as to the "one price in a given market" notion. Not infrequently he will discover a difference of one hundred per cent in the prices of an identical object in two stores only a few blocks apart. It can hardly be

doubted, in fact, that some people actually want to pay high prices, at least for certain sorts of commodities, purely from motives of vanity.

Influence of Time

It should also be observed that the law of supply and demand, as ordinarily understood, applies much more exactly to conditions at a given moment than to conditions over a period of time. The principles which govern prices on the part of those who sell goods already produced are somewhat different from those affecting persons who produce goods for sale. Over a long period of time, an increase in demand may bring a lowering in price by making it possible to reduce the cost of production by large-scale operations. For example, as Mr. F. W. Woolworth has pointed out, the tremendous demand for goods to be sold in five- and ten-cent stores has resulted in lowering the prices of a large number of articles. Again, if there were only one thousand persons in the world who desired a Ford car at any price, these cars could probably not be sold for less than several thousand dollars apiece. The more people who want Fords, the cheaper they can be sold, and, in the long run, the cheaper they will be sold.

A Question of Power

The law of supply and demand is really an effort to state in concrete terms the great principle of conflicting interests and balance of power between the two parties to a bargain. The factors of supply and demand are just two of the elements in power. If demand is high and supply low, it tends to increase the power of the seller. If demand is low and supply high, it tends to increase the power of the buyer. But there are many other elements of power which enter into every actual bargain and help to fix its actual terms.

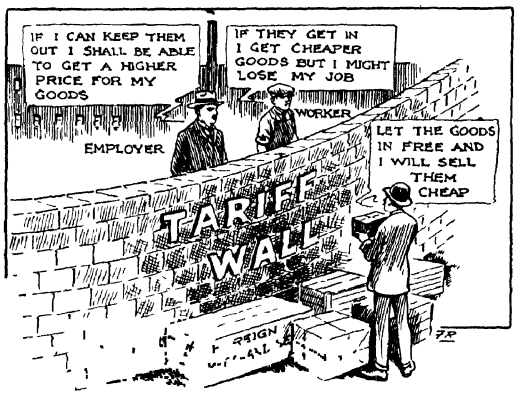
As between supply and demand, demand is primary. Demand comes first and supply after. If there were no demand, there would be no supply. For supplies are produced to meet demand, though the demand may be, and very frequently is, an anticipated future demand rather than an existing one. In other words, in this respect as in every other, belief is the governing force. A belief in a future demand is just as strong a stimulus to production as an actual present demand. Demand is therefore more powerful than supply in the long run. But at any given time supply is more inflexible than demand. Consequently, any one who can gain control of the supply of a commodity by getting possession of the greater part of that commodity actually in existence puts himself in a position of great power. This is what is called a *corner*. While the corner lasts, its manager has an enormous control over prices. The purpose of a corner, of course, is to reduce competition to smaller proportions than it ordinarily maintains. The profits of a corner come from squeezing out the surplus value. Those who are willing to pay a high price if necessary are forced to pay that price, while those who are not willing to pay such a price are compelled to go without the commodity.

Demand Primary

With reference to goods produced for sale in accordance with customary methods, two other general principles may be noted. The first is that in the long run goods will not be sold for less than it costs to produce them. This is the lower limit of prices. No more goods will be produced than can be sold at a fair margin above this limit. The second is that

Producer's Selling Price

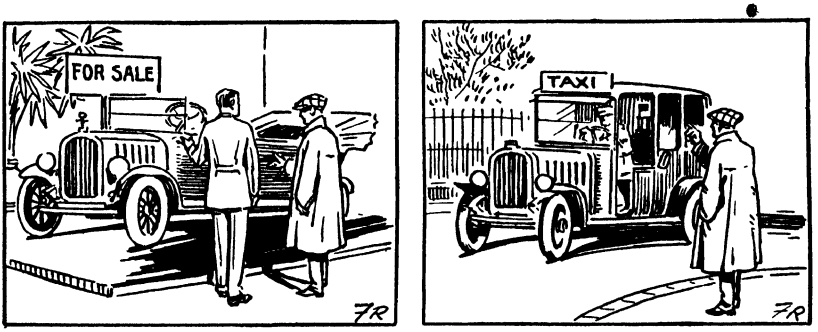
above this limit goods will be sold at such a price or prices as will bring the maximum net return to the producer. This will seldom be the price which will attract the largest number of actual purchasers. More profit can be made by selling one million articles at a profit of three cents each than two million at a profit of one cent each. Every producer works this problem out as exactly as possible for his own commodity. In some cases this results in two or more different prices for essentially the same commodity. The producer aims to get the maximum returns from each level of demand. For instance, a certain soap manufacturer will turn out the best soap he can. Part of it he will call "Rosebud" and will advertise in the "best market" at twenty-five cents a cake. Part of it he will name "Excelsior" and sell for fifteen cents. The rest he will call "Household" and push in the general market at ten cents. In a country whose industries are "protected" by a high tariff, as in the United States, any surplus goods which remain after the maximum returns have been reaped from the home market are often offered for sale in foreign countries at a price lower than the lowest home price. This is called "dumping" and is not welcomed by manufacturers in the foreign countries.



A tariff wall tends to strengthen monopolies
It also helps to prevent "dumping"

One other fact should be noted with reference to bargains in general. This is that we sometimes buy a thing itself, and sometimes we buy the *use* of the thing. The former process is called, in general, purchase; the latter, renting. In the former case the property passes to the buyer; in the second case the possession is transferred only for a given time and under certain conditions. The principles underlying these two forms of

Ownership and Use

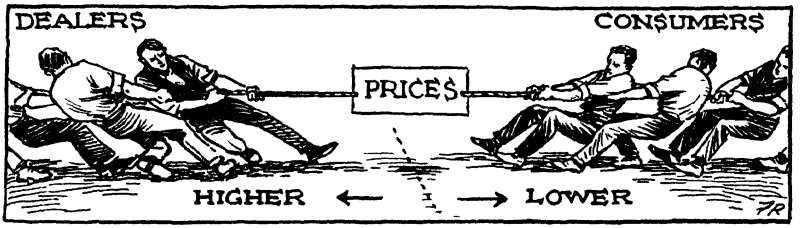


The utility of an object may be enjoyed through purchase or rental.

buying are not essentially different. All buying is for use, and with things which are not destroyed in the using it is only a question of degree whether we buy for perpetual use or temporary use. The longer the period of renting the closer is the approach to purchase. Thus a 99-year lease of a piece of land is very nearly equivalent to a purchase. In economics the use of the word "rent" is customarily restricted to the buying of the use of land. In everyday conversation we apply the word "rent" to houses, automobiles, typewriters, and a variety of other things. In this case the everyday use of the word is really more helpful than the technical one.

Range of Price

In determining the general rules which govern prices in the various types of bargains, the most that we can do in the great majority of cases is to find a maximum above which prices will not go and a minimum below which they will not fall. The maximum is fixed by the values which the objects in question have in the minds of buyers. No one will knowingly give a greater value than he receives. The minimum is fixed by the point below which the owners of the objects will not sell. In the case of all commodities produced for



General prices represent the result of a struggle between dealers and consumers

sale according to customary commercial methods this minimum point will in the long run be the cost of production. People will not long produce goods if they can not be sold for at least enough to meet the costs of production. Between these maximum and minimum points there is a "spread" of varying extent depending upon a variety of factors which affect the character of desire on the one hand and the attitude of the owners of goods on the other hand. Sellers, of course, are always trying to force the price up as near to the maximum as possible. The extent to which they are able to do this depends largely upon the extent to which the actual supply of the commodity in question is controlled by a single person or by a group with common interests — in

other words, the extent to which "monopoly" prevails. The prices which result from all the innumerable individual bargains normally fall somewhere within this spread. Just where depends upon the multitudinous factors which influence the terms of each particular bargain.

A Life of Bargains

The economic life of modern societies consists of innumerable varieties of bargains inextricably tangled together. We are all of us buyers and sellers. We buy all sorts of things, or the use of them. We are all animated primarily by egoism. We are constantly matching our power against the power of others. Our whole material well-being is merely an expression of the terms which these bargains eventually take. Marvelous the power of custom and conformity, marvelous the control and discipline of society whereby these bargains are carried out with so much of order and smoothness, with so little of friction or actual hostility.

REFERENCES

See Chapter XI

JOHNSON, JOSEPH FRENCH, *We and Our Work*

QUESTIONS

1. Explain what is meant by "diminishing value." Show how it rests on human nature

2. Give examples of consumable commodities the value of which diminishes rapidly and other commodities the value of which diminishes slowly.

3. Define "effective demand."

4. Explain the two different sources of supply of a commodity as determined by the classes of persons who can furnish it.

5. What is the "law of supply and demand" in its simplest terms?

6. Does the law of supply and demand operate most exactly at a given time or over a period of time? Explain.

7. What two general principles affect the prices of goods produced for sale in the ordinary commercial way?

8 What two types of bargains may be made with reference to a given piece of wealth?

TOPICS FOR FURTHER STUDY

Graphic representation of demand and supply. (Fairchild, F. R., *Essentials of Economics*, pages 133–162)

The five- and ten-cent store as an experiment in supply and demand. (Woolworth, Frank W., "From Dimes to Millions," *McClure's Magazine*, December, 1923, pages 9 ff.)

See Chapter I.

CHAPTER XV

WAGES

HAVING thus examined the essential features of bargains in general, we are now prepared to go on with our consideration of the sorts of bargains whereby the product of industry is distributed among the different factors which have united to produce it.

It is a principle as old as human society that the product itself belongs to the owner of the business as a whole. The problem of distribution is the problem of the bargains which he makes with the owners of the various factors that he has combined in the business. In brief, the owner of the business buys the various factors or the use of those factors, combines them into a going concern, owns the product, and in the long run pays his bills out of the product which he has created. Of course, in actual life, many bills have to be met before there is any product of this particular enterprise. In order to do this, the owner must have possession of the product of some previous activity, either of himself or of some one else, that is, some capital.

The Owner

Under the conditions of actual life the owner of the business is practically always also an owner of either land or capital. In fact it is virtually impossible to become the owner of a business unless one is the possessor of some accumulation of wealth. Let us consider first of all what is perhaps the simplest situation, the case of the landowner in business.

Landowner in Business

We have seen that land is the basic form of wealth and that the landowner is therefore in a favorable position to start production. If he is able to work himself, he has the two primary factors of production already at hand. If his piece of land is so small that he can profitably cultivate the whole of it by his own efforts, he and his land will make a complete productive unit, and there will be no problem of distribution at all. But suppose that his land is so large that if only the owner's labor is applied to it some of the natural product will go to waste. Suppose, for instance, that it is a cranberry marsh so large that he can gather only half the berries. The other half, which are wasted, are worth just as much as those that he gathers. What he needs is another worker to gather the whole crop. In other words, he begins to exert a demand for labor. The price of this labor, wages, he expects to pay out of the product. The question now before us is how much will he pay? We have seen that the attitude of the buyer fixes the maximum above which a price will not go. In this case it is relatively easy to state in general terms what that maximum is. The landowner hires a laborer in order to make a profit for himself. This profit comes out of the cranberries which the laborer picks. But so do the laborer's wages. The extra product which is due to the factor of labor must furnish both profit and wages. Therefore wages must always be somewhat less than the value of the product of labor as applied to the land. Since in actual practice the wages are usually agreed upon before there is any product, the case may be stated by saying that wages are always somewhat less than what the owner expects the value of the product of labor will be.

Demand for Labor

It goes without saying that it is the interest of the owner to make wages as much less than the maximum as possible, not only to guarantee himself against a possible overestimate of the product but also to leave him as wide a margin of profit as possible.

Owner's Wages

It is clear that the owner's receipts from the half of the cranberries which the hired worker picks will not be as large as that from the half which he picks himself. The reason for this is that out of the half which he picks himself he really pays himself wages, just as he pays the hired worker wages out of the other half. This becomes clearer if we suppose that the owner, instead of being able to work himself, is bedridden so that he has to hire two workers.

Capitalist in Business

Now suppose that the owner of the business instead of being a landowner is a capitalist — that is, possesses some capital. This capital is in the form of two automobiles, which are his sole source of income. He goes into the taxi business. One of the cars he drives himself. But before the other car can be made profitable he must have some one to drive it. He exerts a demand for labor and is ready to pay wages. It is evident that the principle which determines the maximum of wages which he will be willing to pay is exactly the same as in the case of the landowner. He will pay somewhat less than the receipts which he expects to get from the worker's labor as applied to his car. And as before, he will be interested to make the actual wages as much below this maximum as possible.

We are now prepared to understand the basic facts with reference to the demand for labor. Under modern condi-

tions the demand for labor (with the exception, of course, of personal service labor) practically always originates with those who own more land or capital than they can profitably employ themselves. Naturally, the cases are seldom so simple as the illustrations we have given. The underlying principles are always the same, but, as is usually the case in human affairs, a variety of other factors come in to complicate the situation. Owners pay wages in order that they may increase their own incomes. Since wages are in the long run paid out of product, actual wages will always be somewhat less than the anticipated value of the additional product which results from the application of labor.

Source of Demand for Labor

How about the supply of labor? Who are the people who are ready to sell their efforts to other persons? To understand the answers to these questions clearly it will be helpful to review briefly the historical process by which a labor class has come into existence. We have already observed that labor is distasteful to men, and we must suppose that from the very beginning of human existence men have been trying to get out of as much labor as possible, which as a rule involves getting somebody else to labor for you. Now in order to get somebody else to labor for you, you must have some sort of power over him. This power may be of several sorts. If you are a king, you may threaten him with punishment or imprisonment; if you are a priest or magician, you may threaten him with divine displeasure or injury from some uncomprehended source. Both of these forms of power have regularly been used by those who for one reason or another came into possession of them. A third way to get

Slavery: *Origin*

power over another person is to get actual physical control of his body. This form of power has always been one of the results of military victory. Persons captured in battle come under the power of their captors, a power supported by the force of the conquering group even though the individual victor be no stronger than his captive. Now men must have begun fighting with each other very early in their career, and captives must have frequently been taken. We have to suppose that in the beginning these captives were slain and eaten, just as those killed in battle were eaten. This practice, while not furnishing an actual supply of labor, served as a substitute for labor by freeing the victor from the necessity of hunting for a number of days. Little by little, however, primitive men apparently learned that a greater total saving of labor was accomplished if the captive was kept alive and forced to work day after day, month after month, year after year, than if he was killed. Having made this discovery, they naturally put it into practice. This, so far as we know, was the origin of the institution of slavery. As the advantages of slavery came to be appreciated, its popularity grew. Slaves became a very important form of wealth — for human beings come within the definition of wealth whenever they are actually owned. The desire for slaves grew so great that



War captives furnished slaves.



Slaves are wealth

vigorous tribes were not content with the supply which resulted from ordinary warfare but organized special military expeditions for the express purpose of securing wealth. These slave raids have continued down to very recent times and probably still exist in savage portions of the world. It may seem strange to think of a slave raid as a form of producing wealth, but that is exactly what it is. It was a method used, directly or indirectly, by a great many of our ancestors in this country, and some very handsome fortunes resulted from it.

Importance

The institution of slavery has played an incalculable part in the history of mankind and in the development of civilization. It has prevailed in practically every part of the globe. It is impossible to understand some of our modern institutions except by recognizing the place which slavery holds in their antecedents. Compared to the length of time during which slavery was a fundamental feature of human society, most of our modern institutions have existed for only a moment of time. It is worth while also to observe that slavery, horrible as it now seems to us, was a great improvement on what went before — cannibalism — and that it contributed no small amount to the progress of civilization. On the whole, female slaves were probably more numerous than male: in the first place, because many of the males were killed off in the fighting; in the second place, because it was easier to keep them in subjection; and in the third place, because they were especially desirable. We have already seen that in primitive society the women were the repositories of most of the technical knowledge and skill of the industrial arts. Their work could be done in the tribal settlement or

village where they could be watched; the work of the males, on the other hand, was hunting and fighting, which are not well adapted to slave labor. The interchange of women slaves between different societies, carrying their special skill with them, was of untold service in building up the economic arts of all mankind. Of course, the farther we get away from primitive conditions the less do the foregoing statements apply. Eventually the value of male slaves becomes greater than that of the females.

We need not stop here to inquire in detail into the process whereby public sentiment turned against the institution of slavery. It was partly a result of its inherent economic weakness under civilized conditions which caused free peoples to establish a mastery over slave-keeping peoples. It was partly the result of the growth of humanitarian feeling which revolted at the idea of allowing one human being to be owned by another. In the end all civilized societies reached the point of condemning slavery, and one after the other abolished one of the oldest and best established of all rights, the right to property in a human being.

Abandonment

The abandonment of the institution of slavery did not, in most societies, lead directly to the creation of a free labor class. There developed a transition stage known as serfdom. This institution was highly developed in England and other European countries during the Middle Ages. Under serfdom the laborer is no longer the property of his master but is bound to the soil. The reciprocal obligations and rights of lord and serf are determined by custom and status. We need not stop to examine how the institution of serfdom came to disappear.

Serfdom

The significant fact for our purposes is that with its disappearance there arose a large body of "free" laborers — that is, laborers who were no longer definitely bound to any master but were free to arrange for their own livelihood on the basis of contract or bargaining.

Desire for Independence

The essence of this arrangement was that the laborer must put himself into some relationship with land or capital or both, for, as we have seen, under modern conditions it is impossible for the majority of people to make a living without access to either land or capital. Whether a person can be an independent producer, that is, the owner of his own business, depends primarily upon whether he owns any land or capital, and how much. There is a principle in human nature which makes us all prefer to work for ourselves rather than for some one else. The average man does not sell his labor to some one else unless he can not make a living, or at least as good a living otherwise. The owner of a plot of ground just big enough to keep one man or one family busy usually works that land himself instead of selling his labor to some one else and hiring another person to cultivate his land. The owner of a single automobile will drive it himself. The owner of a little corner grocery store will run it as his own business. Only when the amount which can be secured by selling his labor is distinctly higher than what he can make by working for himself will the ordinary man hire himself out. And in such cases the positions offered are usually of such a sort that the work can not be called strictly labor. Some degree of management practically always enters in. This is evidenced by the fact that it is almost invariably a person who has

shown some ability in managing his own business who receives such an offer.

The supply of labor, accordingly, is represented by those members of the community who own no land or capital, or not enough from which to make a living. They are the propertyless class. In accordance with the principle that the minimum of the price range is fixed by the sellers, the next question is what is the minimum below which wages will not fall? In answering this question we are faced with a peculiarity of labor as a commodity which differentiates it from all other commodities. Labor is inseparably associated with a human body. The laborer *must* sell his labor in order to live. There is a necessity about the supply of labor not found in any other commodity. The minimum, therefore, below which wages will not fall is the amount necessary to enable the laborer to live and support his family. It is, in a sense, analogous to the minimum in the price of any other commodity — the "cost of production." If, for any considerable length of time, wages were to fall below this point, some laborers and some of their children would die off, the resulting decrease in the supply of labor would improve the position of the remaining sellers, and the price would be forced up to the minimum again. This is essentially the explanation of wages which was suggested a century ago

Wage Minimum



The sellers of labor fix the minimum of wages.

and dubbed the "Iron Law." Its weakness, as presented at that time, was that it was offered as an inclusive explanation of wages instead of being recognized as merely an explanation of the minimum. Only in the poorest and most densely crowded countries do general wages ever actually reach this minimum.

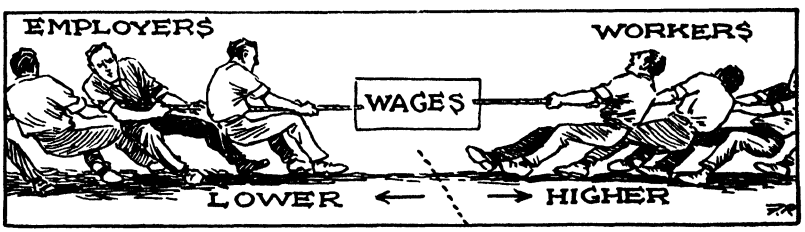
Here we have, then, the principles which underlie wages and therefore are at the heart of the whole great labor problem which perplexes modern societies so greatly. A certain small portion of human energy is bought for personal service. It is used to gratify human desires directly. It is "consumable." Its price, as far as the demand side is concerned, like the price of all other consumables, is fixed by the nature of human desires. But the great bulk of human energy is bought by the owners of businesses in order to add to their profits. Like "capital goods," it is used to create wealth. It is this kind of labor which constitutes the main problem.

"Consumable" and "Capital" Labor

The demand for labor comes from those who own land or capital and can not make it profitable without labor. They will not pay more than the value of the extra product which comes from labor, and they will pay as much less as possible. The supply of labor comes from those who lack land and capital, and who must sell their labor to get a living. They will not sell for less than the amount necessary for a bare living, and they will get as much more as they can. The extent of the spread between the maximum and the minimum varies with a variety of conditions. The point in the spread at which a given wage is fixed likewise varies with conditions. From the point of view of labor the most

Range of Wages

important question is how much access there is to land and how easy it is to amass capital. The ideal situation from the labor point of view occurs when there is a large amount of virtually free land within easy reach. Until the last few decades this was the situation in the United States. The vast public domain, free to be secured as homesteads, offered a constant alternative to wage laborers. This fact more than any other and probably more than all others put together accounts for the high wage scale which has prevailed hitherto in the United States. There can be no



Wages represent a struggle between the buyers and sellers of labor.

real exploitation of labor when there is abundant good free land available. The disappearance of this free land within the last generation has put an entirely new face on the labor situation in this country. From the point of view of the employer, also, the situation has been very favorable. The vast extent and variety of the natural resources of the country have made the productivity of labor very high. The spread between a living wage and the value of the product has been very great. Consequently the employer has not been compelled to try to force wages down to the minimum. He could afford to pay a wage well above the minimum and still be sure of a safe, handsome profit. With the growth of population and the fuller use of natural

resources this condition too is changing. Employers feel a stronger pressure to force wages down. The struggle between employers and workers is becoming steadily more bitter.

The heart of the difficulty in the wage problem lies in the fact that we have never learned how to measure exactly the amount of the product of modern industry that is actually due to labor alone. If it were possible to determine exactly what portion of the value of the product is to be credited to labor, the problem would be greatly simplified. Labor would be in a position to demand this full amount or to be shown valid reasons why it should not get it. Unfortunately, economic science has hitherto proved quite incapable of answering this question. Modern productive processes are so complicated, involving in addition to labor intricate combinations of land,

No Measure of Labor Product



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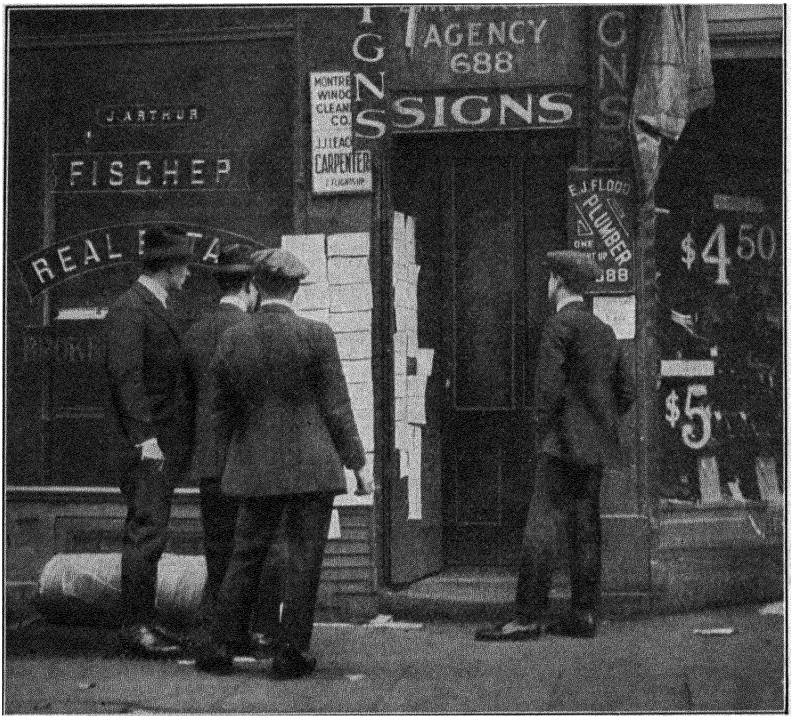
Labor, even of the commonest sort, is a combination of physical energy and intelligence. It is self-directing energy.

capital, management, and ownership, each of which must have its compensation, that it is impossible to tell what share is actually due to labor. This difficulty is due in part to the little recognized fact that when one buys labor he buys a combination of physical energy and intelligence; in brief, he buys self-directing energy. In even the commonest forms of labor the great proportion of wages must be credited to the intelligence rather than to the physical energy. The physical energy could be produced much more cheaply in some mechanical form. Without labor there can be no production at all. Yet because of the return that must be made to the other factors, labor can not be credited with the whole product. As a consequence labor is simply credited with whatever it can get.

Wage Bargain

The actual fixation of wages is therefore determined by a bargain of the most rigorous sort. As in every bargain, granting the maximum and the minimum, the outcome is the result of the relative power of the two parties. Modern industrial adjustments are a struggle for the acquisition of power and the most effective use of power by employers (owners) on the one hand and laborers on the other hand. Since the wealth of the employers and the livelihood of the workers are at stake, it is not surprising that the struggle is of tremendous intensity. We are often told that the interests of capital and labor are identical. This is only a half truth. The whole truth is that the labor problem is a case of a combination of common interests and conflicting interests. Employer and worker have common interests in making the product as large as possible. The more there is, the more can be shared between them. But with reference to the division

of the product their interests are of the conflicting variety in the most extreme degree. Whatever one gets the other can not have. Naturally each sees his side of the conflicting

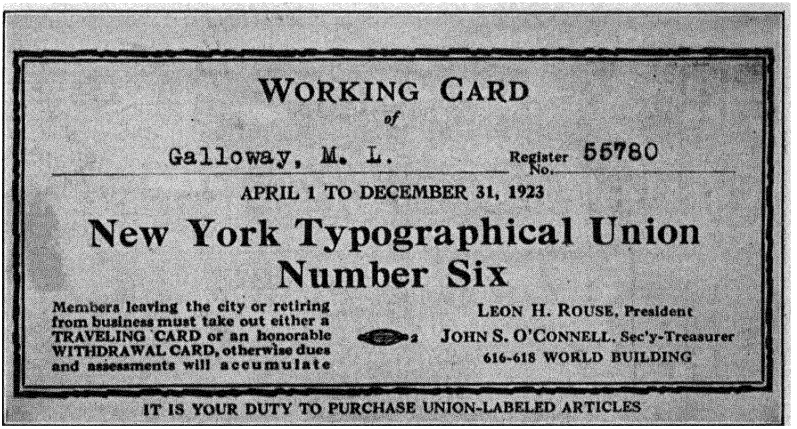


As a general rule, the worker must hunt for the job. These men are reading announcements of possible jobs.

interests more vividly than the common interests. The laborer is out to get the largest wages possible, trusting the ability of the employer to safeguard his own margin adequately. The employer is seeking maximum profits and complacently assumes that the laborer will be taken care of somehow.

One striking thing about modern industrial conditions is that as between individuals the power of the employer in the wage bargain is much greater than the power of the laborer. The employer is hiring dozens or hundreds or thousands of workers, and the completion of a wage bargain with any particular worker is of relatively little importance to him. If he

Power through Organization


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The trade-union is a device for increasing power through organization.

does not get this man, there are plenty of others. One more or less makes little difference anyway. But from the worker's point of view the hiring of himself is a matter of life and death to him and his family. If he does not get one job, he may get another — but he *must* get some job. So as between man and man the employer is able to force very unequal terms on the laborer. In fact, where individual wage bargains prevail, the terms of employment are virtually fixed by the employers who say in effect to the laborers, "Here is the job — you can take it or leave it." A

recognition of the weakness of the individual laborer lies at the bottom of the social institution known as the trade-union. The trade-union is an effort to consolidate the power of labor by forcing the employer to deal with labor in the mass instead of with the individual workers. The

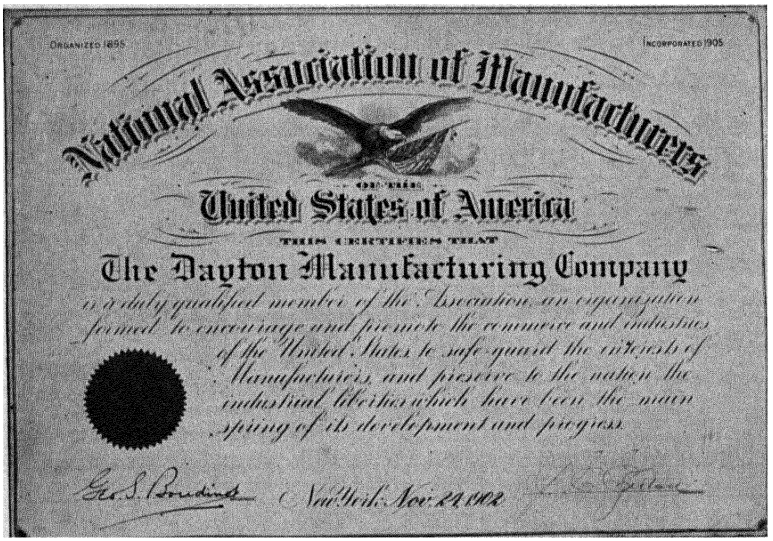


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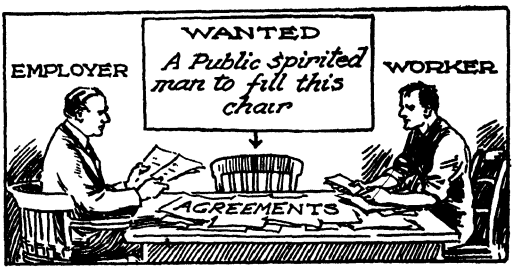
An employers' association is a device for increasing power through organization.

union representative desires to say to the employer, "Here are all your workers as a unit, and here are the terms upon which they will work. You can take them or leave them." The basic purpose of the union is "collective bargaining." There is no question that trade-unions have added immensely to the power of labor and have been a great force in maintaining wages. But, unfortunately for labor, employers have not been content to leave the weapon of combination solely in the hands of the workers. They have

formed organizations of their own — trade associations and combines of various sorts — and the wage bargain of to-day is largely a struggle of mass against mass with the balance of power still on the side of the employer. Through the "open shop" movement the employers, or some of them, are trying to make the struggle one of mass against individual, with what possible results no one can predict.

A Hard Truth

It may seem, perhaps, that this is a very brutal statement of the labor situation and that it would be wiser not to present it so bluntly. But it is a true statement, and the purpose of social science is to present the truth. The first requirement for solving a problem is to know the truth about it. Knowing the truth, well-intentioned people are in a position to work out the best possible adjustment. Nothing is to be gained from the policy of the ostrich who buries his head in the sand to escape unpleasant facts. As long as the product of industry belongs by property rights to the owners of the business and, in order to create this product, workers must be hired whose wages are to be paid out of the product, and as long as there is no scientific method for determining just how much of the product is actually due to labor, the fixation of wages must always be a bargain with all the friction, rivalry, and bitterness which inevitably accompany



One who in any way helps to adjust the interests of employers and workers renders a public service.

bargaining. The duty of intelligent and public-spirited people is to see to it that the bargain is carried on in the open, that foul play is avoided, and that such a balance of power is maintained between the two parties as shall make the result as nearly fair and just as possible. Sometime, perhaps, a way will be found of doing away with the bargain.

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QUESTIONS

1. In modern societies, who owns the product of industry? State clearly.

2. Explain what is meant in general by the maximum and minimum limits of prices.

3 Explain clearly the considerations that fix the maximum limit of wages as applied to productive land As applied to capital

4. What constitutes the supply of labor, in other words, who are the "labor-selling" or "wage-earning" members of the community?

5. Explain the considerations that fix the minimum limit of wages as applied to land or capital.

6 Show how the disappearance of free land has affected the labor situation in the United States.

7. Explain the severity and bitterness of the wage bargain in a modern industrial society.

8. Where does the balance of power lie in a wage bargain between individuals in a typical modern case, and why? Explain the bearing of this fact upon the growth of collective bargaining.

TOPICS FOR FURTHER STUDY

Drawbacks of the bargain system of wages. (Fairchild, Henry P., "Will the Wage System Last?" *Unpartizan Review,* July–September, 1920, pages 14–33.

The wage bargain as a question of power, and the influence of the trade-union. (Edie, Lionel D., *Current Social and Industrial Forces,* pages 91–96, 199–239.)

CHAPTER XVI

RENT. INTEREST. SALARIES

OUR next problem is to examine the principles upon which the payment for the use of land is determined. This payment is what is customarily called *rent*. First of all it must be observed that land, just like labor and just like other forms of wealth, is desired for two purposes. The first is to satisfy human desires directly — as residence plots, lawns, pleasure gardens, tennis courts, golf links, etc. The principles in this case are essentially the same as for all consumables and need not be repeated. The second purpose for which land is desired is to use it to produce wealth. The greater part of the problem of rent is concerned with land used in this way — what you might call "capital land." The simplest way to get an idea of how rent is determined is to imagine a situation where there is some land to be had for nothing. This is not a wholly imaginary situation, since, as we have seen, it existed in the United States down to very recent times, and exists or has existed elsewhere.

"Consumable" and "Capital" Land

With respect to land desired for consumption, under these conditions, the determination of the maximum price is very simple. The amount which any person will pay for a given piece of land or for the use of that piece of land represents merely the difference between the value of that piece of land in his own mind and the value of another piece which he could get

Maximum Consumable Rent

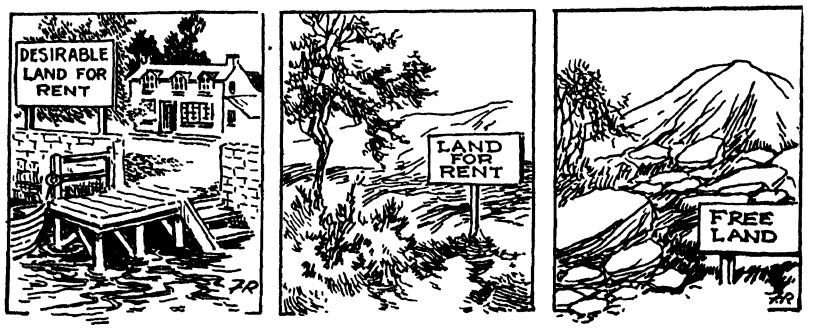
for nothing. Suppose yourself a member of a little colony during the period of the early settlement of America. The village to which you come is located along a beautiful stream. By the time you arrive all the land in the immediate neighborhood of the stream has passed into private ownership. There is plenty of free land farther back. You desire a plot for your residence. You find that in addition to the free land, there are two plots for rent. One of them is back from the stream but within easy reach and with a good view. The other is right on the bank of the stream with a boat landing of its own, an equally good view, and some especially fine trees. There are therefore three possibilities open to you — a piece of undesirable land for nothing, a good piece for rent, and an exceptionally fine piece for rent. You represent demand in this case. The maximum you will be willing to pay for either of the rentable pieces of land is determined by the difference in value to you between each of these pieces of land respectively and the best piece you could get for nothing. Which piece you actually rent will be determined by the balance between the value in your mind and the amount that you can get them for. In other words, the element of supply enters in as it does in every bargain.

Suppose now that having selected your residence site you desire a piece of land to cultivate in order to make a living.

Maximum Capital Rent

The first thing that impresses you is that the land in the neighborhood varies in quality. Some sections are more rocky than others; some lack sufficient water; on some the soil is thin and sandy; on others it is deep and rich. You are not surprised to find, also, that the earlier settlers have appropriated all

the best pieces near the stream. In the free sections farther back there is still some very good land, but it is so far away that the cost of carrying the crops to the market would eat up a considerable share of their value. Some of the good pieces near the stream are for rent, and these differ in quality. So the same possibilities are open to you as when you were selecting a residence site — undesirable land free, or better land of varying qualities for rent. As a repre-



The rent of land is determined by its quality.

sentative of demand the maximum price you will be willing to pay is determined by your judgment of the utility of these various pieces of land. In this case, however, there is a more tangible basis for your maximum than in the case of residence land. It can more easily be reduced to dollars and cents. You desire this land in order to make a living, that is, in order to create wealth. The value of each respective piece depends upon your estimate of the value of the product which you expect to be able to get from it.

Consider first the choice between the best free land and the poorest rentable land. You will not pay more in annual

rent for this latter land than the difference between the value of the annual product of that land and of the best free land. Suppose, for instance, that on the best free land you expect to be able to raise a crop that, delivered at the market, is worth $50 an acre, while rentable land with the same amount of cultivation will produce a crop worth $60 an acre. Ten dollars an acre represents the maximum that you will pay in annual rental for that land. Exactly the same principle governs your choice between the different grades of rentable land. If the next best grade will produce a crop worth $70 an acre, the maximum rent is $20, and so on up through all the different grades. The decision which you finally make depends, as always, upon the terms of supply of each piece of land and also upon a variety of incidental and personal considerations which can not be generalized.

Rent of Different Grades

It is evident, then, that in a community where free land is available, rent arises out of the variations in the quality of land. No one would pay rent for land if equally good land could be had for nothing. In communities where there is no free land the maximum of rent is fixed on the same principle which governed the choice between the rentable pieces in the preceding example. Briefly stated, the maximum rent of "capital" land is fixed by its productivity. In the first place, no one will pay more for the rent of a piece of land than the value of the anticipated product of the land; in the second place, no one will pay more for a given piece of land than the amount he can get a poorer piece for plus the value of the additional product of the better piece. Rather than pay more the prospective tenant will turn to some other

Rent Dependent on Productivity

way of making a living, hiring himself out as a laborer if necessary. The continuous increase in land rentals which can be observed in all prosperous countries is accounted for by the increase in the value of the products of land. This, in turn, is explained by the fact that land, being the basic source of all wealth, is definitely limited in quantity. As population increases, the demand for land and the products of land increases. This puts the owners of land in a more and more favorable position and enables them to push up the prices of land, of the use of land, and of the products of land, all of which go together.

This brings us to the question of the minimum limit of rent which is, of course, fixed by the conditions of the sellers. We have observed repeatedly that landowners are in a particularly favorable situation in the economic world. An additional advantage which the landowner enjoys is that he is not under the necessity of selling the use of his land as the worker is under the necessity of selling his labor. In addition to the possibility of renting, two other possibilities are open to him. He may let his land lie idle, which is, of course, expensive but not necessarily disastrous, or he may cultivate it himself, either by his own efforts or as a "business" with hired labor, borrowed capital, etc. It is this latter possibility which operates most actively to fix the minimum. In the long run a landowner will not rent his land for less than he can make by cultivating it himself. Now it is obvious that if he is as good a business man as the prospective tenant (and there is no reason why he should not be) he can produce as valuable a product as the tenant can. Therefore his minimum tends to be approximately the same as the tenant's

Minimum Rent

maximum. And because the amount of land is limited, the competition for it is so keen that any landowner who is ready to rent his land at much less than its productivity value is very quickly found out by tenants and taught to know better. The result is that the spread between the minimum and maximum prices of the use of land is ordinarily very small. The rent of different pieces of land is determined very closely by their relative productivity, all conditions being taken into consideration. There comes to be a standard, or "market," rate, of rent for land of a given quality.

So far we have spoken of capital land as if it were used solely for agricultural purposes. The principles of rent are most easily understood in their relation to agricultural land. But they are essentially the same for all land used for capital purposes. The owner of any business — factory, department store, theater — always figures on how much actual value various plots of land will add to the product which he expects to turn out. He will not pay more for a given piece of land than its value to him in terms of product. If he can not get any land on those terms he will turn his energies into some other channel.

Nonagricultural Land

There is one peculiar type of land which should be mentioned as it involves a modification in the principles of rent. This is land the use of which involves the removal of certain irreplaceable qualities. The best example is mining land. The rental of a piece of coal mining land is virtually equivalent to the purchase of the coal in the land, for when the coal is gone the land is worth little or nothing. But since the coal is taken out year by

Mining Land

year, the yearly rental represents an estimate of the buyer and seller as to the value of the coal which will probably be taken out each year. The same rule applies to oil lands or to timber lands which are rented with the privilege of cutting. In this latter case, instead of renting, the timber is often sold outright while the owner retains his title to the land.

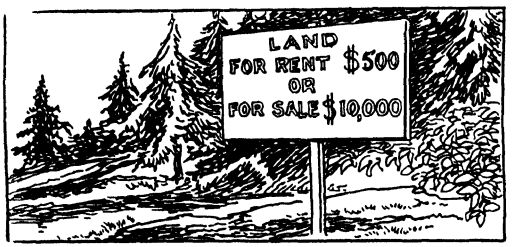
We are now prepared to understand the principles which regulate the price of the use of capital, what is ordinarily called *interest*. Capital, by its very definition, is used only to produce more wealth. The owner of a business buys the use of capital, or "borrows" capital as we usually say, because he expects to be able to turn out more product with capital than he can without it. He looks at it from the cold dollars-and-cents point of view. The maximum which he will pay for the use of a given amount of capital is somewhat less than the value of the additional product which he expects to result from the use of that particular capital. If he can not get capital on those terms, he will be content with whatever capital he may own himself, or he will not undertake the business. The man in the taxi business will borrow money to buy more cars provided he expects to be able to make more money yearly on each car (after deducting labor costs, etc.) than he has to pay in annual interest on the price of the car, allowing, of course, for depreciation and the eventual replacement of the car. So much for the demand for capital.

Maximum Interest

On the supply side the possibilities are much the same as they are in the case of land. (We have already observed that land and capital have much in common.)

Instead of lending his capital, the capitalist may let it lie idle, — hoard it like a miser, — which is expensive, or he may utilize it in a business of his own. (Or he may, as suggested below, transform it from capital to consumables.) His minimum, accordingly, is the amount that he would expect to make from his capital in a business of his own, which, as in the case of rent, is approximately the same as the maximum of the buyer. Therefore there tends to be a standard, or market, rate of interest for safe investments much as there is a market rate of rent. This market rate tends to approximate the average productivity of capital in the society in question. The market rate of interest, however, unlike rent, does not tend to rise but rather to fall. For capital is not fixed in quantity as land is but can be increased indefinitely. An increase in the price offered for capital stimulates the production of capital, increases the supply, and so puts the buyers in a more favorable position and enables them to force the price down again. It may be observed in passing that now, as always since the beginning of human civilization, capital is produced by thrift, that is, by substituting saving for consumption. Every one with an income is always making decisions between consuming it and saving it. The price which he can get for the use of his accumulated savings is one of the factors which govern his decisions. There is one

Minimum Interest



The relation of selling price to rent corresponds to the market rate of interest.

important point in which capital differs from land and which tends to create wider variations in interest rates than in rents. This is the fact that capital may be destroyed, while land can not be. Of course it is possible to injure land, but the chance of injury plays a very small part in the determination of rents. Capital, on the other hand, may be actually destroyed. Steamships may sink; stores may burn; trains may be wrecked; expensive machinery may prove useless. In other words, there is a certain risk in investing capital, while there is practically none in renting land. To be sure, in properly conducted enterprises the safety of capital is supposed to be provided for by insurance or otherwise. The risk, as we shall see later, is supposed to be assumed mostly by the owners of the business. Nevertheless, the capital invested in many businesses is not wholly secure, and those who lend it must be compensated by a price proportionately higher than the market rate for "gilt-edged" investments.

Risks of Capital

In the discussion of interest much confusion has been created by the fact that wealth is frequently borrowed not for production purposes but for consumption. Since wealth is usually represented by money, it is not always possible to tell at the time of the loan for which of the two purposes the wealth is to be used. The principles governing the price of the use of wealth for consumption are radically different from those governing the price of the use of wealth as capital. The maximum in the case of money borrowed for consumption purposes is fixed by the desires of the borrower. These desires may, and very generally do, result from emergency conditions, which can not be reduced to a generalization.

Two Motives of Borrowing

These emergency conditions represent very powerful desires for present wealth. The borrower expects that at the time he has to pay back the loan his desires will be much weaker, or else he is in such distress that he does not think or reason at all. Accordingly the maximum price of such a borrower is the difference in value in his mind between "present wealth and future wealth." This difference may be absolutely anything, even up to hundreds of per cent. To take an extreme but typical example, suppose a young man who is to inherit a fortune from a rich uncle whom he expects to die within six months finds himself absolutely penniless, in danger of starvation, and without any shelter over his head. He will gladly (if necessary) promise to pay $5000 at the end of a year in return for a loan of $1000 to-day. So true is this that in order to secure elementary justice in this kind of bargain modern states usually limit by law the amount of interest which can be charged by those who handle this kind of loans, such as pawnbrokers. Since the same money may be borrowed for either of these uses, both of these maxima play a part in fixing the market rate of interest. Before the dawn of the industrial stage most borrowing was done for consumption, and so the explanation of interest based on this kind of borrowing became firmly established. But in modern societies an almost negligible fraction of commercial borrowing is done for this purpose, and so the productivity of capital is the dominating factor in fixing the maximum price for the use of wealth.

There remains to be considered the fourth factor bought by the owner of the business. This is *management* — the organizing ability, skill, experience, and technical knowledge necessary to put the other three factors together into a

going and profitable concern. Very often the owner of the business furnishes this factor in his own person. Until relatively recent times this was probably the characteristic method, so much so that it has not always been clearly understood that management and ownership are two different functions. Recently, however, as stated above, management is emerging as a separate factor, and the owner buys the use of a manager just as he buys the use of the other factors. The maximum price is the same as it is in the case of the other factors, the addition to the product which the owner expects to get from the services of the manager. The minimum is the amount which the manager would expect to be able to make by going into business for himself, taking into account all elements of risk, difficulty of getting capital, etc. Good managers are so rare that they fall into the class of specialized "commodities" like works of art. They have no standard price. It is not possible to generalize accurately about their salaries.

Salaries of Management

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QUESTIONS

1. Explain the considerations that fix the maximum rent of consumable land. Of productive land.
2. Do you know of any land in your neighborhood that you could use either in consumption or in production without paying rent? If so, give details.
3. Explain the considerations that fix the minimum rent of land.
4. Explain the considerations that fix the maximum and minimum limits of interest on capital.

5 Explain the difference in the limits of interest on wealth borrowed for consumptive and for productive purposes.

6. In all these bargains, how is the actual rent or interest determined?

7. Under conditions of perfect competition and complete knowledge would there be any difference in the profits of a concern operating on borrowed capital and the same concern operating on capital that it owned? Explain.

8. Why is it impossible to set down fixed rules as to the determination of the salaries of managers?

TOPICS FOR FURTHER STUDY

Different theories of interest. (Ely, Richard T., *Outlines of Economics*, pages 416–438. Taussig, F W., *Principles of Economics*, Vol. II, pages 3–43 Hadley, Arthur T , *Economics*, pages 267–281. Fisher, Irving, *Elementary Principles of Economics* (Edition 1915), pages 365–374.)

The lure of free land. (Neihardt, John G., *The Splendid Wayfaring*, Chapter I.)

CHAPTER XVII

Profits

Now, how about the return to the owner himself for his ownership? In his bookkeeping every other factor must be credited with its share, even though he may be the owner of it. The owner of the cranberry marsh must credit to his land the current rent for that kind of land, as well as crediting himself with wages. The owner of the taxicabs must credit to capital the current rate of interest on the money value of the cars, and himself with wages. The small farmer who works with his hands must credit himself with wages at as near the current rate of wages as he can determine, and his land with rent if he owns it. The man who manages his own shoe factory must credit himself with a salary as manager. In speaking of the maximum price of each of these various factors we have said that it was something less than the owner expected to produce as a result of having this particular factor added to his business. This difference represents the result of adding each of these factors to an actual business. To make this point clearer, let us think of a man who has for a business the furnishing of men to shovel snow. He charges his patrons so much per man per hour, and he pays his workers so much per man per hour — a smaller sum. The amount he charges his patrons may be a little more than they might have to pay to men who chanced to come to the door; the amount he pays his

Rewards of Ownership

laborers may be a little less than they could secure by going from house to house. Why can he do this? Simply because both patrons and laborers are willing to sacrifice a

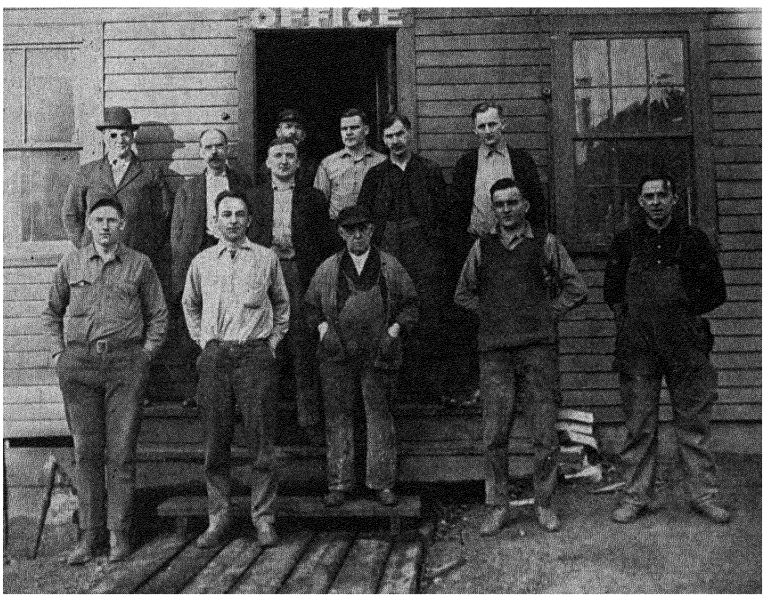


Some men shovel snow as "free lances"; some men, like those in this picture, hire themselves out to an employer.

little in the hourly rate for the sake of the satisfaction and certainty that come from dealing with an established business. The laborers probably make more by the day than they would independently, and the patrons get better and

more regular service. The owner has rendered a real service by setting up a business and is entitled to (and can get) a return for it.

The factor of ownership contains two essential elements, initiative and risk. The personal qualities which lead men



In some modern businesses management and even ownership have again passed into the hands of the workers These men are the senate in a democratically governed tannery

into ownership are courage, foresight, common sense, judgment, and faith. These are great essentials in modern business and merit an ample return. The return to ownership is called "profits." The amount of profits in any enterprise depends upon its success as a business. Since the prices

Elements of Ownership

paid for the various factors of production are usually agreed upon before there is any product, these prices are independent of the success of the business and are affected only by the belief of the owner in his future success. Even the owner of an unsuccessful business can not force prices down on that account in a community where there is full and free competition in industry. With the exception of capital, as already explained (and that only to a limited extent) those who provide the factors of production are not supposed to share in the risks of the enterprise. They are supposed to be guaranteed both as to the safety of the things the use of which they sell and as to the receipt of the price agreed upon for that use.

Nature of Profits

The owner, therefore, is the residual claimant of the product after all the other factors have received their compensation. Whatever is left represents his profits. It is quite obvious that there may be nothing left. Still worse, there may be an actual deficit, and the owner may be compelled to make up the fixed charges at a personal loss to himself. There is a certain element of risk in practically all modern business, and a very great amount of risk in much of it. This risk is due partly to the various conditions which surround production and the various accidents and losses that are liable to occur, but mainly to the fact that most production is for an anticipated future demand. Production is undertaken in the belief that when the product is ready, the amount desired and the prices offered will not fall below a certain figure. To be sure, a great deal of production is on contract, but this usually means that the risk is passed on to, or shared with, some other business

man. The ultimate purchaser of consumable goods seldom buys under contract. The risk being there, it is necessary from the point of view of society that some one undertake it. The industrial progress of a society depends largely



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"Anticipated demand" is personified in a shopping crowd like this on Fifth Avenue.

upon the number of men who possess the qualities mentioned and are ready to assume the responsibilities of production. Because of the risk involved and the ever-present possibility of loss, it is fitting and fair, as well as a necessary inducement, that there should be a possibility of large gains in the case of eminently successful businesses. After a given industry has become standardized and the risk

reduced to a minimum, profits seldom remain excessive unless the element of monopoly is present.

Range of Profits

With reference to the determination of profits only the broadest generalizations can be made. In any given case an almost infinite number of individual conditions are present. The bargain, such as it is, is in this case a bargain between the owner and society at large, or the consumers as a whole. This is a bargain which can not possibly be reduced to a single agreement. The consumers can not be bound by any obligation. As far as they are concerned, the owner has to rely merely upon what he knows of human nature and human desires and the evidence of custom, habit, the folkways, etc. The maximum limits of profits are fixed by the degree of success in any business that is made possible by the conditions which prevail in the community. This rests in the last analysis upon natural resources and upon the desires, and consequent use of purchasing power, of the population which composes the market. The minimum limit of profits, as we have seen, is a minus quantity of indefinite magnitude. As far as the individual owner is concerned, his choice of an occupation is governed by the same alternatives which confront the manager — whether he can expect to make more money and be happier working for himself or selling his services to some one else.

Corporations

The last few decades have seen a great development of a device for distributing the risks of ownership and at the same time affording the owners of small amounts of wealth the opportunity of sharing in the profits of industry. This device is the joint-stock corporation. A *corporation* is an organization, authorized

by law, the ownership of which is represented by a certain number of shares of stock which can be bought singly or in blocks by individual purchasers. Corporations may be organized to conduct all sorts of profit-seeking enterprises and sometimes for purposes quite apart from profit such as benevolent undertakings. We are here concerned with the profit-seeking, or business, type of corporation. The stockholders in such a corporation are the owners of the enterprise. The profits are distributed among them in the form of dividends. Some of the money paid for stock may be invested in tangible instruments of production and thus constitute a part of the working capital of the concern. The rest of it is spent for purely ownership purposes — advertising, insurance and underwriting, legal fees, advance wages, etc. A dividend, therefore, frequently represents a combination of interest and profits. Its variation from the customary rate of interest indicates the importance of the ownership and profits element. It is important to understand clearly the difference between a share of stock and a bond. A bond is merely a promissory note representing a loan made to the business organization, corporation or other. It represents actual capital invested. The rate of interest is fixed, and the safety of the capital is supposed to be guaranteed by investment in tangible assets or insurance or both. The difference in the rates of interest is accounted for by the varying degrees of risk involved, which should be strictly the risks of capital investment, not the risks of ownership, and should therefore not be large.

In our discussion thus far we have considered merely the prices paid for the *use* of the various factors of production. With reference to two of these factors, labor and manage-

ment, that is the only price that ever enters in. Use is the only thing which can be bought. We do not buy and sell human beings. But with reference to the other two factors, land and capital, there is an alternative to buying the use of the wealth, viz., to buy the wealth itself. A man who wants to go into the farming business has his choice of either renting the necessary land or buying it outright. A man who wants to start manufacturing shoes may either buy a factory or borrow money and build one, giving a mortgage on the factory as security. In either case the end in view is product and profits. The expected amount of product determines the purchase price just as truly as it does the annual interest or rental. The result is that in thoroughly industrialized countries the purchase price of a capital instrument — land or other wealth — tends to be fixed at the amount of money that, if loaned at the current rate of interest, would bring in the same return as that expected from the use of the instrument in production. Take the case of the farmer who is negotiating for a piece of land which he expects to be worth $500 a year to him. The market rate of interest is 5%. He has plenty of money in the bank. What can he afford to pay for the land? He will not pay more than $10,000, because he could loan that sum of money at interest and receive a return of $500, just what he expects to get from the land, and on any larger sum he could get more in interest. Of course he would be glad to pay less if he could. If he could get the land for $8000, he could loan the other $2000 and get $100 interest on it, netting him $600. Or, suppose he has no ready money but plenty of credit. He can either pay $500 a

Relation of Price of Use to Price of Ownership

year in rent for the land, or he can borrow $10,000 at 5% and buy the land. It is a matter of indifference to him which he does, as he will be equally well off in either case. So the maximum price which will be offered for the land is $10,000. The landowner, from his point of view, would be glad to sell the land for more. But he can not afford to sell it for less, because the land in use is worth $500 a year, and he can better afford to cultivate it himself than to sell it for a sum that, placed out at interest, will bring him less than $500. Furthermore, it will not be necessary for him to take less because there will be a sufficient number of people competing for the land to force the price up approximately to the maximum. Thus the price tends to be fixed at $10,000. Exactly the same principles tend to fix the price of tangible capital instruments. Since, under modern conditions, it is so easy to transfer property in land to property in capital and vice versa, a piece of land and a capital instrument which produce the same value in product tend to have the same value. For if either one could be purchased cheaper than the other, it would pay to sell the dearer and buy the cheaper, since the product is the same. Since thousands of people are always on the lookout for just such opportunities, the prices are kept very close to the point fixed by the value of the product. This law is usually expressed thus: The value of an instrument of capital tends to be fixed at the value of its product "capitalized" at the market rate of interest. Divide the value of the annual product by the market rate of interest, and it gives the average, or market, value of the capital. This law is especially well illustrated by the prices of standard stocks, which fluctuate in almost exact proportion to the current or expected dividends.

It should be observed that in the case of land the tendency of the products of land to increase in value, which has already been discussed, introduces a variable factor. A belief in this tendency affects both buyer and seller and may cause a modification in the process of "capitalizing."

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QUESTIONS

1. What are profits?
2. Explain the two essential elements of ownership.
3. What is meant by saying that the owner is the "residual claimant"?
4. Explain why the "spread" between the maximum and the minimum is so much greater in the case of profits than in the case of interest.
5. Why has the corporation form of organization become so popular in modern industrial societies?
6. Explain the difference between a stock and a bond.
7. Explain clearly the relation between the price of the use of a piece of land or an instrument of capital, and the price of the land or the capital itself.

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The nature and amount of profits in the United States (Edie, Lionel D., *Current Social and Industrial Forces*, pages 77–88.)

The corporate form of organization (Hadley, Arthur T., *Economics*, pages 143–146. Johnson, Joseph F., *We and Our Work*, pages 151–155.)

CHAPTER XVIII

Prices of Consumables

Having examined the principles which govern the prices of capital goods, it will be well to consider in somewhat greater detail than hitherto the principles which tend to fix the prices of consumables. This is especially important because it is the price of consumables that in the final analysis determines the prices of all the products of industry and therefore the amount of money that is to be distributed among the various factors of production in varying proportions according to the principles that we have studied.

Production Controlled by Demand

The ultimate force back of production is desire. As has been stated, demand comes before supply. Goods are produced to meet an actual or anticipated demand. The more generally a thing is desired by all persons or the more keenly it is desired by some, the greater will be the demand for it. The greater the demand, relative to a given supply, the higher the price which can be secured. The profits which can be made in any industry depend upon the difference between the price that can be charged and the cost of production and also upon the quantity that can be sold at that price. Business men are always on the lookout for lines of industry where profits are exceptionally large. Under modern conditions it is possible to shift the factors of industry quite rapidly from one form of production to another. The labor used in a shoe factory can be transferred to an automobile fac-

tory. Land used for raising corn can be turned into an aviation field. A factory manufacturing watches can be altered to manufacture electric searchlights. Every such change costs money, of course, but it is worth while if the profits in the new line are high enough.

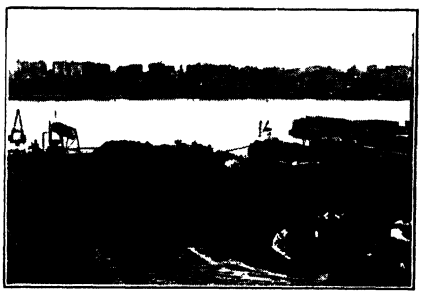
Prices under Competition

The result is that wherever the relation between the demand for and the supply of a consumable article is such that prices can be kept up to a point which makes profits exceptionally high, other manufacturers are attracted to that industry. Their activity results in an increase of the supply without any change in the demand. This leads inevitably to a lowering of the price and a probable increase in the actual number of purchasers. This increase in the market tends to stabilize the industry and perhaps compensates the manufacturers to a certain degree for the loss in profits. So the industry continues to be an attractive field for enterprise and investment until profits have been reduced to the customary level for industries of the same degree of security. Thus in the case of staple articles the price tends to be reduced to the point that will yield only a reasonable, customary profit.

Prices under Monopoly

It is clear, however, that this process can take place only when there is full opportunity for the factors of production to be shifted from one industry to another, that is to say, when there is free competition. If the conditions in any industry are such as to enable those in it to keep the door closed on outsiders, prices may be maintained indefinitely at a point which yields extraordinary profits. A situation of this kind, as already stated, is called a *monopoly*. There is, accordingly, a tremendous impulse upon every producer to establish as

much of a monopoly as possible with reference to his own product. All sorts of devices and expedients are resorted to. Patents and copyrights are devices for securing a temporary monopoly to the inventor, who has rendered a service to society and deserves to get high profits for a while. (All too often it is not the inventor, but some promoter, who actually gets the profits.) Charters and franchises of various kinds are means of monopoly. The ownership of natural resources of a limited character — coal and iron fields, water power, etc. — is a most attractive source of monopoly. Monopoly is often secured by various forms of governmental favoritism; that is, it takes the form of a privilege. In late years the trust form of business organization has been a most effective means of achieving monopoly and has had to be severely regulated by law. Different businesses enjoy varying degrees of monopoly, but some degree of monopoly is a factor in a very considerable proportion of businesses, especially in the manufacturing and mining industries.



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270,000 tons of reserve coal — its ownership gives economic power.

The lower limit of prices is fixed in the long run, as already explained, by the cost of production. The upper limit is fixed by effective demand — that is, by the total desires of the community taken in relation to the total purchasing power of the community. There is a general struggle between producers as a class and consumers as a class. But

since all of us are consumers and almost all of us are producers, the circles of common and conflicting interests are mixed in such a complicated way as to defy analysis or description. It is characteristic of industrial societies that their members think of themselves as producers more than as consumers. Consequently, all of us are inclined to push our interests as producers more actively than our interests as consumers. Laborers are always struggling for higher wages, landlords for higher rents, capitalists for higher interest rates, managers for larger salaries, and owners for bigger profits, regardless of the fact that every achievement in any of these directions is likely to raise the cost of production and may raise prices to the consumer. One reason for this is that our interests as producers are direct and specific, while our interests as consumers are vague and diffused. If a group of laborers, as the result of a strike, succeed in getting a ten per cent raise in wages, they know that it will not raise the cost of the things they buy with their wages by a corresponding ten per cent. So with the other producing interests. The gains come to them personally intact; the losses are distributed throughout the general public. Governmental policies, popular ideas, and the folkways in general tend to favor producers. This tends to create great inequalities as between individuals. For we consume as individuals, but we produce often in large-scale units. Those persons, therefore, who represent massed and concentrated producing power and producer's interests are put into a decidedly favored class. Those, on the other hand, whose producing interests are on about the same scale as their consuming interests — the wage earner, the

Producers' Interests *vs.* Consumers' Interests

small farmer, the individualized independent producer of every kind — are in effect discriminated against in their general welfare. And since each person's purchasing power over consumables is dependent upon the reward that comes to him as a producer, the effects of this discrimination tend to be cumulative.

Consumers' Interests Primary

Yet, after all, our interests as consumers are vastly more important and fundamental than our interests as producers. In fact, we produce only to consume. There is room for a tremendous amount of future progress in our social knowledge of how to adjust our activities as producers to our needs and interests as consumers.

REFERENCES

FISHER, IRVING, *The Purchasing Power of Money.*
MACKAYE, JAMES, *The Happiness of Nations*
STELZLE, CHARLES, *The Working Man and Social Problems.*

QUESTIONS

1. Explain the general principles that fix the prices of consumables.
2. What is the tendency of prices of consumable goods under conditions of free competition?
3. What is "monopoly"? Explain its general effect upon prices.
4. Explain why we customarily give more attention to our interests as producers than as consumers.
5. Which are more important, producers' interests or consumers' interests? Why?

TOPICS FOR FURTHER STUDY

Prices under monopoly conditions. (Taussig, F. W., *Principles of Economics*, Chapters 45 and 63. Fisher, Irving, *Elementary Principles of Economics*, Edition 1915, pages 329–332.)

Consumption *vs.* production as a goal of social effort. (MacKaye, James, *The Happiness of Nations*, pages 85–128.)

CHAPTER XIX

The Standard of Living

The sole purpose of all this wonderful economic organization, of these amazing inventions and discoveries, of this complicated combination of the various factors of production that we have been discussing is to create consumable wealth — to produce material goods which can be used to satisfy human desires. It might seem that there must be an ultimate limit to expansion in this direction, that some time civilized societies would build up an economic equipment adequate to turn out sufficient material goods to meet all their desires and that they might then begin to turn their surplus energy and attention to other matters. But there is no evidence that any such culmination is in sight. Back of all production are human desires, and back of all desires is the human mind, which, as we have seen, is not a fixed, stable thing but is going through a continuous process of evolutionary change. Desires increase and multiply at least as fast as the means of gratifying them. For the great majority of individuals in even the richest societies, desires keep far in advance of the means of gratifying them. New inventions are continually creating new desires without giving the bulk of the population the additional purchasing power necessary to gratify those desires. Nobody desired radios until they were invented. Now a great many more people desire them than can have them.

Growth of Desire

Happiness is determined by gratified and ungratified desires, and it would be an interesting thing, if possible, to measure and trace the increase in actual human happiness which has accompanied the growth of material civilization. Are the people of the United States as a whole happier than the population of England during the Middle Ages, and, if so, how much happier? Are we happier than the savages on the sunny islands of the Pacific of whom we sing so sentimentally in our popular songs? These are questions which can not be answered dogmatically. There is a great deal of evidence for the belief that we are happier, but it is by no means certain.

Who Is Happy?

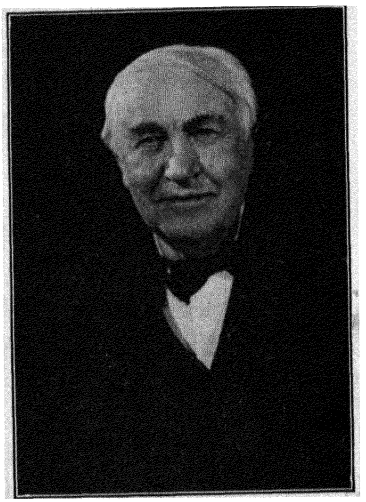
However this may be, we certainly have a much greater equipment of material things for the satisfaction of desire than the people of any previous era have had, and without these things the people of to-day would certainly suffer a loss of happiness. So for modern civilized people the variety and abundance of consumable goods furnish an excellent index of the means of happiness, if not of happiness itself.

Material Basis of Happiness

The amount of material necessaries, comforts, and luxuries customarily enjoyed by any group of people constitutes what is called its *standard of living*. It should be clearly grasped that the standard refers to the things *actually* enjoyed in real life, not what people hope or would like to enjoy or what somebody thinks they ought to enjoy. Every group of people which has any unity or coherence, that is, which is bound together by relationships into a community, has its standard of living. There are in the world, accordingly, a great many

Standard of Living

standards of living. The groups may be large or small. We might, for instance, speak of the standard of living of the whole population of this globe and compare it with the standard of living of the population of some other planet, such as Mars. Or we may speak of the standard of living of the Greek bootblacks of Chicago.



© *Underwood and Underwood*
Edison and other great inventors like him serve their whole community by helping to raise the general standard of living.

Significant Averages

As a rule, the larger and more heterogeneous a group is, the less definite and concrete its standard is, and the less significance it has for practical purposes. The standard is an average, and in a group of objects which cover very wide extremes an average does not mean much. For example, an average of the height of all the plants growing in the state of California would not be of any particular importance, for it would include everything from the tallest redwood to tiny creeping vines. But an average of the height of all the redwood trees would be a very interesting fact. For most practical purposes the largest group whose standard of living has much significance is the nation. A nation, while including a great variety of individuals and subgroups, has enough coherence and a sufficiently compact social organization so that its standard of living really means something. We may, for

instance, compare the standards of different nations in order to get light on the relative success of their national policies and the comparative well-being of their populations.

The standard of living of a nation represents its success in carrying on the struggle for existence. A nation is, in a sense, a productive unit, held together by the common interests of its members. This success depends upon several easily recognizable factors. The first is the amount and quality of the land which it, as a nation, controls. The first requirement for a high national standard is an abundance and variety of natural resources. In this respect the United States is especially favored. We still have, in spite of the wasteful methods and policies of the past, a vast amount of undeveloped resources as compared, for instance, with Spain where the natural resources are largely exhausted.

Standard of a Nation: *Land*

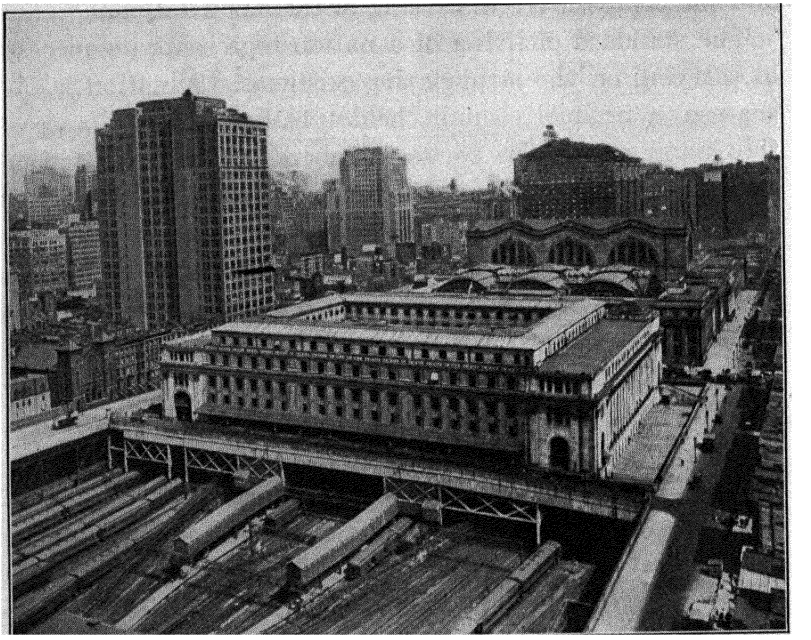
The second requirement is a highly developed productive equipment, including both capital instruments and the experience, knowledge, and technical skill necessary to use these instruments. This equipment is often referred to as the "stage of the arts." The American Indians had the same natural resources at their command that the people of the United States have. But their stage of the arts was very much lower, and so their standard of living was necessarily much lower.

Arts

The third element in the standard of living of a nation is the intelligence, physical vigor, industry, enterprise, and general intellectual excellence of its population. It is the people who furnish the labor, management, and ownership which are necessary for the production of wealth. It needs no demonstra-

Quality of Population

tion to show that a high quality in the population is an essential for a high standard of living of a nation.



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A large population has a direct relationship to the standard of living. (U. S. Post Office and Pennsylvania R. R. Terminal, New York City.)

Size of Population

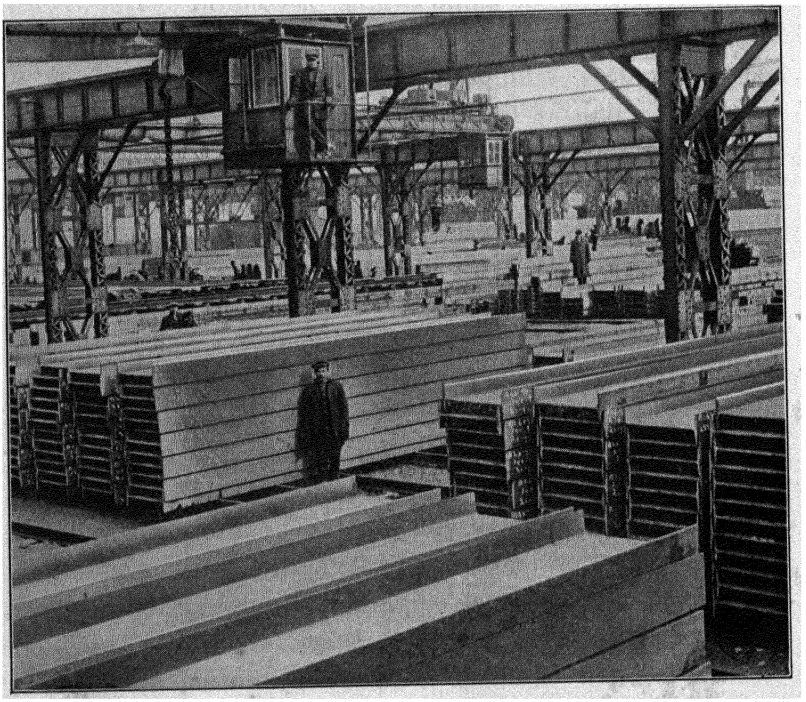
The *quality* of the population, however, is not all. Another very important factor in the national standard is the *size* of the population. The industry of a nation, like that of a single industrial enterprise, is carried on by a combination of land, labor, capital, and management. The highest success in production can be achieved only when these factors are combined in the right proportions. From the national point of view it is possible to have too small a population, and it is possible

to have too large a population for the highest standard of living. Take first of all the case of too small a population.

Industrial Division of Labor

We have seen already that the result of every advance in the industrial arts has been to enable a larger number of people to live in the same degree of comfort on a given area of land — usually, in fact, to live better also. The population of the world and the standard of living of the world have moved upward together as the human species has progressed upward from the collection stage, through the hunting, pastoral, and agricultural stages to the industrial stage. We have not so far given much thought to the converse truth that each higher stage of the arts requires a larger population than the preceding to operate it most efficiently. This is because every advance in the stage of the arts involves a greater degree of cooperation. It requires increased division of labor and specialization on the part of the workers and (as we have seen) of the machines. It also requires an increase in the characteristic scale of production. Modern industry is carried on chiefly by very large-scale production. Great factories are used employing thousands of persons. The processes of production in these factories are divided up into a great number of minute, routine steps. For instance, in a shoe factory, there are about two hundred separate and distinct processes. Each distinct process has its own worker, or machine, or combination of machine and worker, which does this one thing day in and day out, year in and year out. This is a very effective and economical way of doing things and results in a great increase in the total amount of wealth. But it can not be done unless the population is large. Division of labor and large-scale pro-

duction are profitable only when the volume of goods turned out is large. The volume of goods can be large only when the market is large. The market can be large only when the population is large. This extreme division of labor and



Minute division of labor and large-scale production are profitable only when the market is large.

specialization of function is found not only in factory processes but in many other departments of modern production. In New York City there are men whose business it is to repair piano keys and others who make fancy frostings for wedding cakes. Now it is a very pleasant thing to be able to get an expert to repair your piano keys or one to make

you fancy frosting when you need work of either kind done. But only a very large community can support workers in such specialized occupations.

Geographical Division of Labor

There is also a geographical division of labor which is very profitable. By this is meant an arrangement by which each section of the country — or of the world, for that matter — undertakes to produce the particular thing or things for which it is especially fitted, exchanging its own products for the other things it needs with the countries which are specializing on those products. This means the most advantageous use of natural resources, but it can be carried out only when there is a large population to serve. Excellent examples of countries which have carried specialization to a high degree are furnished by Greece, whose exports consist very largely of currants, and by Brazil, whose prosperity is dependent upon coffee. From the point of view of the nation the United States shows clearly how the standard of living is raised by geographical specialization, the South producing to a large extent cotton, the Middle West, cereal crops, Pennsylvania, coal and iron products, while New England as a whole specializes in manufacturing.

Colonial Localism

A very interesting contrast with the present situation is furnished by the life of the early American colonists when not only every little settlement but to a great extent every family had to be largely self-sufficient. Even as late as the end of the eighteenth century some American farm families spent only $8 or $10 in actual cash during a whole year. This was for salt, a few iron products, etc. For all their other material needs they produced them themselves or traded

in kind, that is, bartered. These limitations were due largely (though of course not wholly) to the scanty population in the country at that time. Imagine the kind of living a man in seventeenth-century New York could have made repairing piano keys or making frostings for wedding cakes!

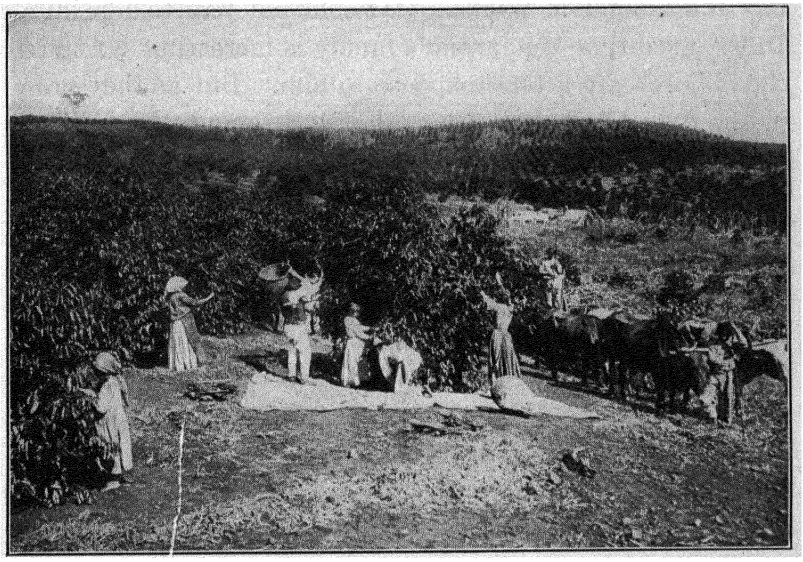
It is possible, therefore, for a nation to have too small a population to maintain its maximum standard of living in consideration of the amount of land it controls, its stage of the arts, and the quality of its people. A nation in this situation is said to be underpopulated, and the condition itself is called "*underpopulation.*"

Under-population

On the other hand, it is possible for a nation to have too large a population to maintain its maximum standard of living. This is due to the limited qualities of the land of which we have spoken so often. The amount of agricultural products which can be taken from a given piece of land each year is limited, and the total amount of coal, mineral ores, etc. that can ever be taken from the earth is strictly limited by the amount which is actually there. It is true, of course, that the yield of the land can be increased very considerably by the application of larger quantities of the other factors of production, labor, capital, and management. The question is whether it can be increased in proportion to the number of human beings involved, so that each can continue to receive the same quantity of product as those who preceded him. Long experience with the land has shown that this can not be done. After a certain point of development, increases in labor, capital, and management applied to a

Over-population

given piece of land produce increases in the total product, but not proportional or *pro rata* increases, so that the amount of product to be distributed to each unit of labor, capital, and management diminishes. This is easy enough to understand in the case of a single family. Take the case of a young farmer who owns 160 acres of good land in



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The *per capita* product of this Brazilian coffee plantation is increased by additional labor up to a certain point.

Nebraska. To begin with, he and his wife are living alone, and he cultivates the land by his own efforts with only a few simple tools. He finds that a large part of his farm is producing far below its possibilities. So he engages a hired man. As a result, possibly, the product of the farm is doubled or even more than doubled. It is a profitable move for the farmer. So he takes on another laborer. But he finds that the amount of increase in the crop which

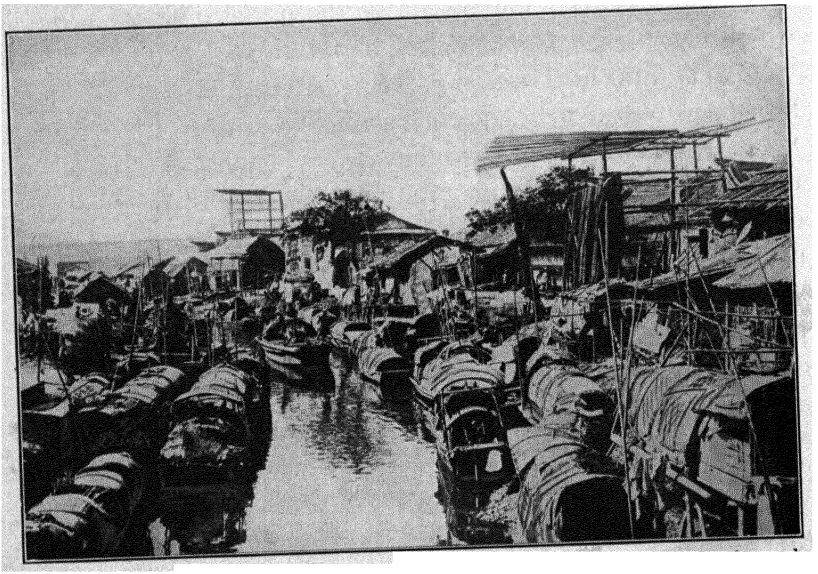
the third worker occasions is not nearly as large as that credited to the second worker. That is, the *per capita* product is diminished. If he were to continue adding a fourth and a fifth laborer and so on, he would very soon come to the point where the additional product due to the additional worker did not amount to as much as he had to pay the laborer in wages. It would not pay to hire him. In the meantime the farmer's family is increasing. At first the children are a total expense to him. But as they grow older, they begin to help in the work about the farm or house and become a real asset. This continues true as long as his family is reasonably small. But if it becomes very large, he finds that the work done by the additional children does not pay for their keep. The same is true of capital. It pays the farmer to buy some machinery, plows, reapers, etc., but the time comes when additional machinery does not pay for itself.

Diminishing Returns

The principle illustrated by the foregoing example is usually called the law of *diminishing returns*. It means that in certain businesses, notably those closely connected with the land, additional units of the various factors of production do not produce proportional increases in the product. This law is just as true for nations as for families. Beyond a certain point, increases in population (potential labor supply) produce an increase in the gross product but not in the *per capita* product. Therefore the standard of living goes down. Some classes in the population, to be sure, may profit by such a situation and raise their standard. But what they gain is lost by other classes. The standard of living, which is an average for the whole nation, declines. The low increase

of the population of France is usually explained by the realization of the people that a rapid increase in population, especially in view of the French system of land inheritance, would involve a loss in the standard of living.

A country which has too large a population to maintain its maximum national standard of living is said to be



India is overpopulated, as suggested by this Hindu meeting in the city of Madras.

overpopulated or to suffer from *overpopulation*. It is clear that, making allowance for the stage of the arts and the quality of the population, there is a best, or *optimum*, size population for every country at any given time, a size of population

Optimum Population

which will enable it to achieve and maintain the highest possible standard in view of its equipment of the other factors of production. It is of the very highest importance from the point of view of national policy that a nation should know what this optimum population is. Unfortunately, social science has not progressed far enough yet to give a



China is overpopulated to such an extent that hundreds of thousands of people have their homes in ramshackle boats on the rivers.

positive and exact answer. There is little doubt that many of the countries of the world, perhaps most of them, are overpopulated. In countries like China and India the standard of living is pitiably low, and the bulk of the people drag along on the bare margin of subsistence for the simple reason that there are too many of them. In the United States the situation is by no means so clear, and opinions differ. The answer is made more difficult because of the

undoubted fact that there are certain classes in our population which would profit by an increase in population, most of which would inevitably be in the laboring or wage-earning class. The interests of the classes that would benefit can be presented more vividly than the interests of the nation as a whole.

Fortunately for society at large there are some businesses which operate on the principle of *increasing returns*. This is merely another way of stating what has already been explained concerning the advantages of large-scale production. A business which makes a profit of 1 cent per unit of product for one million units may, by doubling its plant, make a profit of 1½ cents each on two million units. This principle applies particularly to manufacturing industries and is a partial explanation of the fact that highly industrialized countries can support a much larger population on a higher standard of living than countries which are mainly pastoral or agricultural. It is most important to recognize, however, that the law of increasing returns is strictly limited even in the case of those industries where it seems to apply most forcibly. There is no business in which increases in the factors of production will produce proportional or more than proportional increases in the product forever for the simple reason that every business is dependent for its raw materials on the land, and the products of the land are governed by the law of diminishing returns. The principle of diminishing returns is dominant over the principle of increasing returns. It is always in the background. It fixes the final and inflexible limit to the expansion of all human economic activities and, therefore, to both the

Increasing Returns

increase of population and the improvement of the standard of living.

Standard of a Group

What was said in an earlier paragraph about the different interests of different classes with respect to the national standard of living brings us to the consideration of the standard of living of subgroups within a society or nation. As already suggested, any kind of group may be thought of as having its standard of living. But since the standard of living is an economic fact, the groups most significant in this connection are the various economic groups, that is, those bound together by common economic interests. Doctors have their standard of living; so do school teachers, barbers, freight brakemen, bank presidents, plumbers, garbage collectors, and so on through the whole list. Here we have another characteristic case of common and conflicting interests. All these groups have a common interest in keeping the standard of their society as high as possible, because the standard of the society conditions their success in keeping up their own respective standards. But each group is interested in appropriating to itself as much as possible of the total product of society. They are like the passengers in a disabled and sinking ship. All have a common interest in keeping the ship as high in the water as possible and will work as hard at the pumps as they think necessary to produce this result. But each individual has a personal interest in getting as good a life preserver and in keeping as high in the ship and as near the lifeboats as he can. So, granting an interest in the national standard as a whole, lawyers are interested in having lawyers' fees as high as possible, hod carriers are interested in hod carriers' wages,

money lenders in the rate of interest, etc. In the pursuit of these desires each group will operate as a whole, though within each group there is, of course, the more restricted self-interest of each practitioner.

A Question of Power

As the standard of living of a nation is the result of its success in the struggle for existence, so the standard of living of a subgroup is the result of its success in the struggle for the possession of the product of national enterprise. The height of the standard of any group is determined by, and is therefore an index of, its power, relative to the power of all other groups. Groups are accordingly always fighting for group power. In accordance with the general principles of supply, demand, and monopoly, the power of any group depends primarily upon the number of persons in that group compared with the total importance of the service of that group to the community. This, in turn, depends primarily upon the number of persons who have the qualities necessary to render that service but also very largely upon the folkways and upon a variety of conditions which determine how easy it is to get into or out of any given occupation. Managers of big businesses receive large salaries mainly for the reason that there are very few people who can do that sort of work. First-class civil engineers command large incomes because there are not many persons who have the necessary combination of native ability, education, and experience to be successful in this line of work. Pick-and-shovel men, on the other hand, receive low wages because there are millions of persons who can do that sort of work. It is said that the average earnings of lawyers are surprisingly low. The reason must be that the law schools are turning out so many

budding attorneys every year that the power of the group as a whole is diminished.

Desire for Monopoly

There is naturally, therefore, a strong incentive for every group to increase its power by establishing as much of a monopoly as possible for its members. The most direct way to do this is to limit the number of persons practicing the given occupation. The old craft guilds in England accomplished this by a set of elaborate and rigid regulations of the number of apprentices and of the conditions of work. Modern trade-unions do much the same thing by high initiation fees, etc. Doctors and lawyers accomplish the same result by encouraging stricter requirements for the procuring of a license. Business men do it by all sorts of trade associations, combines, "codes

PLAN TO GET YOUTH IN BUILDING TRADES

Construction Council Committee at Buffalo Meeting Takes Up Apprentice Program.

MODEL SEEN IN OLD GUILDS

Craftsmanship Must Be Raised to Former Dignity, Says F. D. Roosevelt in a Letter.

BUFFALO, N. Dec. 5.—Plans for launching a national apprenticeship program for the construction industry were discussed today by the Apprenticeship Committee of the National Construction Council. The committee is meeting here in connection with the convention of the National Society for Vocational Education, which opens tomorrow. The committee's purpose is to further development of apprenticeship in the construction trades.

A letter from Franklin D. Roosevelt, President of the National Council, read at the opening session, characterized apprenticeship as "one of the greatest problems in American industry today." The country should be aroused, Mr. Roosevelt said, "to the need of placing skilled manual labor on a par with clerical and non-manual labor in the public esteem."

John Donlin, President of the Building Trades Department of the American Federation of Labor, proposed a nation-

There are lessons to be learned from the guild system of an earlier day.

of practice," and various devices for freezing out competitors.

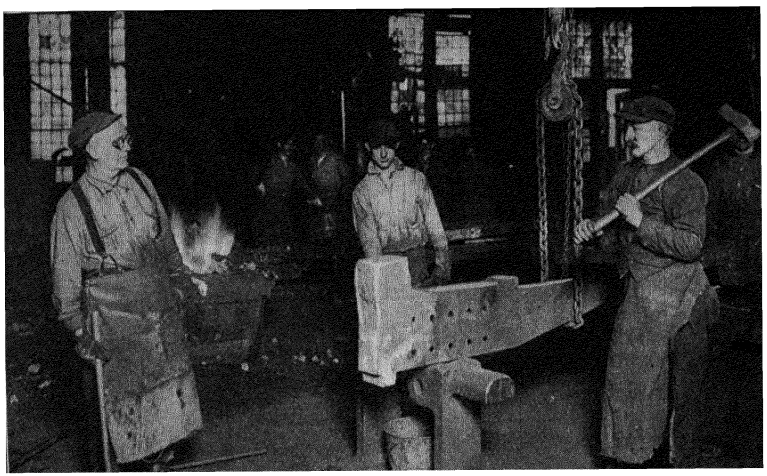
The classes in modern democratic societies are mainly economic classes, having different standards of living as a result of their varying degrees of power in the intergroup struggle. It should be reemphasized, perhaps, that these differences in power are not by any means wholly due to differences in ability among the members of the respective groups nor even to the actual utility of the service which each group renders to society. The result is profoundly influenced by the folkways, by the character of the government, by the existence of privileges, and by all sorts of institutions. Political power, for instance, may often be used very effectively to increase economic power, and a group which can control large political power can improve its standard of living thereby.

Factors in Power

Of all the group standards in the United States, that of the laboring, or wage-earning, class is the most important. There are three chief reasons for this. First, the wage-earning class is much the most numerous class in the country; in fact, it is more numerous than all the other classes put together. Two thirds or more of all the people gainfully employed belong to this class. The interests of the wage earners, therefore, represent the majority interests of the whole American people from the point of view of personality. Increases in the happiness of the laboring class affect more persons and therefore add more to the total sum of happiness than similar increases in the happiness of any other class. Second, the standard of living of the wage-earning

The Wage Earners' Standard; *Importance*

class is the basis of all other standards. Except for a small portion of the population, the "submerged tenth," which lives under abnormal conditions, the wage-earning class has the lowest standard of all the groups in American society. The standard of every other group is the standard of the laboring group, plus something more. When we study the



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The standard of the wage-earning group is the foundation of the national standard.

standard of the wage-earning group, accordingly, we study the foundation of the whole national standard as well as of the standard of each separate group. Third, the standard of the wage-earning class is of especial importance in a democracy because upon it depends the whole stability and progress of the democracy itself. It is impossible to maintain democratic institutions in a country where the standard of living of the common people is low. The

standard of this group is also especially satisfactory to study because the group itself is more homogeneous than most other groups. The extremes are not so far apart, and the average means more.



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The members of a group like this possess a relatively average standard.

The standard of living has been defined as the customary or average amount of material goods enjoyed by any group. Being an average, it must be represented by a single unit. The unit selected to represent the standard of a group is the typical or characteristic family of the group. We take a family instead of an individual because, as we have seen, the family is the basic social unit. All social institutions revolve around the family. The normal way for human beings to live is as

The Family Unit

families, not as individuals. The economic interests represented by the standard of living center in the family. Our economic enjoyments are largely on a family basis. So if you want to picture to yourself in definite form the standard of living of the wage-earning group in this country, try to think of a typical family in this group and consider how this family actually lives.

Average Family

Such a typical family will be composed of a father, mother, and three children under sixteen years of age, which is as near to the average size of the families in this group as we can come. Of course many families have older children, but these children usually contribute to the family income and so alter the terms of the standard of their families. Most working-class parents at some time in their history are faced with the task of caring for a family of three children under sixteen, and their standard of living depends on how well they can do it.

Income and Outgo

From the point of view of such a family the standard of living presents two aspects — income and outgo. The actual standard consists in the things secured by means of the outgo. It is the income which determines what these things may be. Since outgo comprises every expenditure including saving, it is evident that income and outgo are always equal. They are just two ways of looking at the same sum of money.

Two Divisions of Outgo

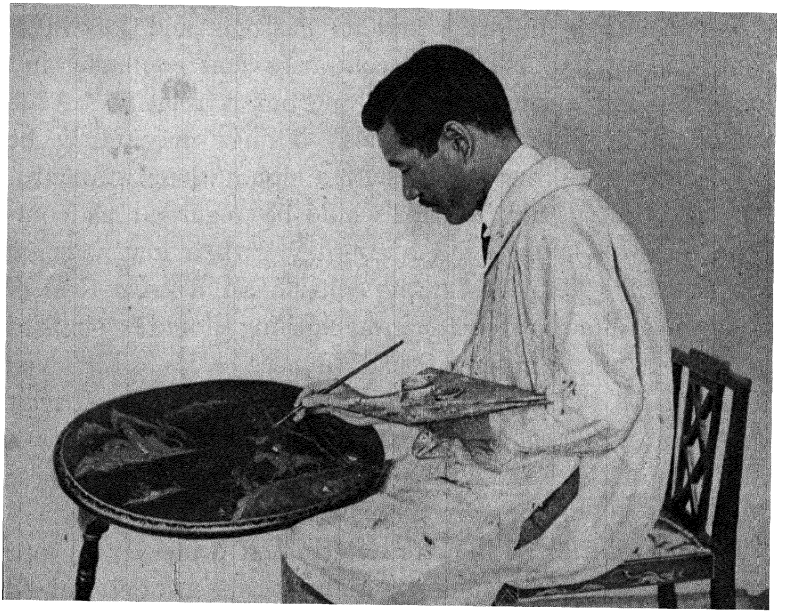
It is helpful to divide outgo into two parts, represented by two different sorts of goods. These are necessaries and nonessentials. The nonessentials include everything which is not absolutely required to maintain existence and a reasonable degree of economic efficiency, even though some of these things seem

very important to most of us. The necessaries include four great requirements of the human animal — food, shelter, clothing, and fuel for heat and light. Strictly speaking, they include only such provisions under these four heads as are absolutely essential to maintain life and efficiency. In practice it is desirable to take into account the general standard of the society in question and its customs and folkways. The dividing line between necessaries and comforts and luxuries is not a hard and fast one but is relative to the conditions in different countries. Things may fairly be called necessaries in countries with a high national standard, like the United States, that would be regarded as comforts, or even luxuries, in a country with a low national standard, like China. On the other hand, a great deal of money spent for food, shelter, and clothing should be charged to luxuries, not to necessaries. The necessaries of life, even in the wealthy United States, obviously do not include caviar and squabs, nor a fifty-room summer "cottage," nor a wardrobe of three hundred suits such as a certain Chinese student in one of our universities was reported to have.

Distribution of Outgo

The necessaries of life are determined primarily by our animal nature. The comforts and luxuries are determined by our human qualities and achievements. The necessary requirements of food, shelter, clothing, light and heat are essentially the same for all persons of the same sex and age. The banker can be nourished on a meal of corned beef and cabbage as well as the hod carrier; he can face the elements as well in a ready-made suit of rough woolen cloth; he is in no more danger of freezing in a three-room apartment heated only by the kitchen range. Impure milk will upset the digestion

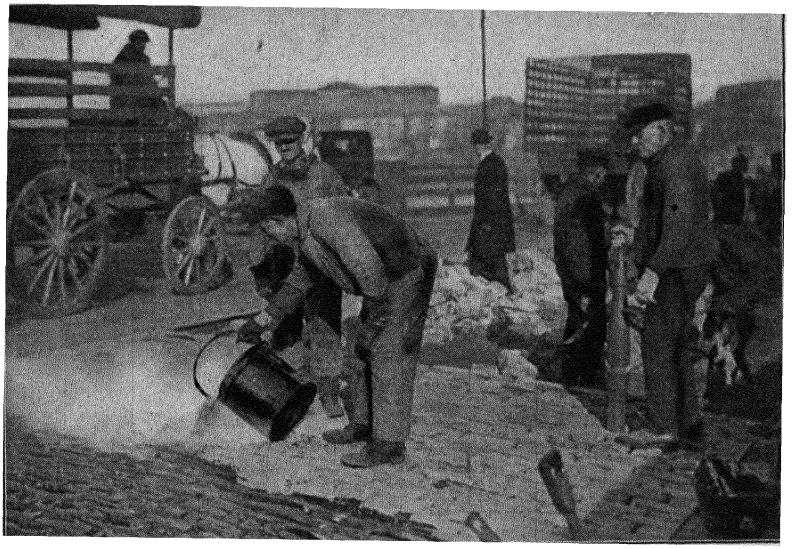
of the coal miner's baby as well as the college professor's baby. It follows that the smaller the income of a family, the larger the proportion of it which must go for necessaries and the smaller the proportion which will be left for non-essentials. Long and careful study of actual family budgets



Skilled labor, because it is scarce, is better paid than

by a large number of students has proved that this is one of the most reliable of all sociological laws. It may be stated in general terms as follows: The larger the income of a family in a given community, the smaller is the proportion spent for necessaries and the larger the proportion spent for comforts and luxuries. This means that the difference in happiness between two incomes is greater than

the difference in money. There is very little happiness secured by the money we spend for necessaries. The chief result is the avoidance of pain. Most of the positive pleasure and fun that we get with our money comes from what we spend for comforts and luxuries. So if a family with an income of $1000 has 10 per cent left for nonessentials, while a family with $2000 has 25 per cent, the first family



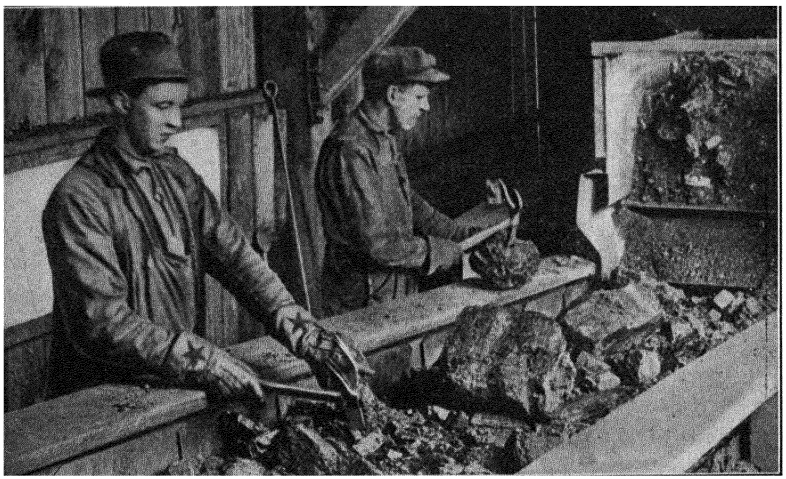
unskilled or "common" labor.

has $100, and the second family has $500. The second income is only double the first, but the amount of money available for fun is five times as great. This is the principle which justifies graduated income and inheritance taxes.

Even among wage earners there are considerable differences in income and consequently in standards of living. Wage earners are divided into the unskilled, semiskilled,

and skilled classes. Of these the lowest, from the point of view of income, is the unskilled. It is of course impossible to describe a standard of living exactly, because there is such a multitude of details involved and no two families spend their money just alike. At the present time, however, the

Grades of Labor



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Unskilled labor can afford few luxuries.

standard of an unskilled worker's family is somewhat as follows:

The average income of such a family is in the neighborhood of $1200. This is derived mainly from the wages of the husband and father, but there is often some contribution by at least one of the children and sometimes payments by boarders or lodgers. Of this total forty-five to fifty per cent is spent for food. This is just about enough to furnish adequate nour-

Modern Standard: *Food*

rishment provided it is spent with a maximum degree of care and wisdom. This maximum is seldom reached in real life. Housewives are only human and can not reach perfection in their management. The fact that purchases have to be made in small quantities prevents the money from going as far as it might. People with small incomes often do not get as much for their money, dollar for dollar, as those with large incomes. This is just one of many proofs of the truth of the old proverb that "The destruction of the poor is their poverty." The result is that a very large proportion of families in this class are actually undernourished to-day. The situation in families of less than average intelligence or education is very unfortunate. Children go to school with a breakfast of only bread and coffee, or no breakfast at all; lunches are made of crackers, pickles, and jam; and much good food is spoiled in the cooking.

Shelter

About twenty to twenty-five per cent of the income is spent for shelter, varying with the locality. The typical shelter is a four-room apartment in a tenement house, though of course there is a wide variety of accommodations. The rooms are usually used as kitchen and dining room, front room, and two bedrooms. The conditions of light and air of course differ greatly. In many of our cities dark rooms are exceedingly common, and the ventilation is customarily very poor.

Clothing

Another twelve per cent goes for clothes. When you consider that this amounts to only $144 with which to buy clothes for a father, mother, and three children for a year, you wonder how they do it. As a rule the clothing is sufficient for the demands of health, with the frequent exception of shoes. But it is often

insufficient for social requirements and certainly for satisfaction. In many cases the members of the family are prevented from attending church or other social gatherings by the lack of sufficiently good clothing to preserve their self-respect. It is an interesting fact that in the families of this group the clothes of the man cost much more than those of the woman, whereas in the upper income groups the clothes of the woman cost much more than those of the man. One wonders just where the dividing line comes. The reason for this is that the working man must go out and must be presentable and protected from the weather, while the woman can get along staying very closely at home, as a great many of them do.

Fuel

About six per cent goes for fuel. This covers both heat and light. The heat very frequently comes from the kitchen range, which is also used for cooking in the winter time. In the summer a good deal of the cooking is done over gas or kerosene stoves. In frequent cases the rooms are most inadequately heated. Sometimes in very cold weather the children have to go to bed to keep warm.

Nonessentials

The total amount spent for necessaries is about eighty-five per cent, leaving fifteen per cent, or $180, for nonessentials. This is not a great amount of money for the fun of a family for a year. And when you realize some of the items which are included as nonessentials, you understand that the amount of money spent for actual fun or pleasure approaches the vanishing point. Out of this $180 must come all expenditures for doctors, and medicines, dentists, religion (salvation is free in theory more than in practice), benevolence, books, music, recreation, insurance

and saving. Insurance is a relatively large item. It frequently takes the form of insurance on the lives of young children, to provide for the expenses of their burial in the not unlikely event of their early death. Frequently the policy is deposited directly with the undertaker. It is



Courtesy Assn. for Improving the Condition of the Poor

Many wage earners, unable to save for old age, must be helped wholly or in part by organizations.

plain enough that saving is almost a negligible factor. The simple truth is that families in this class are practically unable to save at all. This is one of the most serious blots on our social organization. The wage-earning father and mother, if they live past the age limit of economic usefulness, which comes very early with this type of worker, must almost inevitably look forward to becoming dependent

on some one for support during their declining years. If they are fortunate enough to have children or young relatives who can support them, they will not be obliged to become public charges. But a distressingly large proportion have to rely on charitable aid of some sort, public or private. Our economic system makes tremendous demands on the community for human material, which it uses as long as it can be made profitable and then scraps and throws back upon the community for support.

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QUESTIONS

1. Why does the production of wealth never catch up with human desires?

2. Define "standard of living."

3. Explain what is meant by saying that a standard of living is an attribute of a social group

4 What are the essential requirements for a high standard of living of a nation?

5. Explain how a population that is too small keeps the standard of living of a nation low. What do we call this situation?

6. What is "division of labor"? Explain its importance in modern production.

7. Give examples of division of labor in some industry with which you are familiar.

8. Show how a population that is too large affects the standard of living of a nation. What do we call this situation?

9. What is meant by the "optimum" size of population?

10. Define "increasing returns" and "diminishing returns."

11. What determines the standard of living of a subgroup within a nation?

12. Show how the desire for a high standard of living tends to create group struggles in a modern society.

13. Give three reasons why the standard of living of the wage-earning group is more important than that of any other group in a modern society.

14. What is the typical family in the wage-earning group?

15 Explain the chief subdivisions of the item of "outgo."

16. What is the general rule that governs the distribution of outgo between necessaries and nonessentials?

17 Describe in definite figures how a family with an income of $1200 will distribute its outgo

18 Make a list of the principal material objects that you have enjoyed (consumed) to-day, dividing them into necessaries and nonessentials.

19 To what extent is the income of a typical wage earner's family sufficient to meet actual needs? In what respects does it customarily fall short?

TOPICS FOR FURTHER STUDY

The measurement of the standard of living (Fairchild, Henry P., "The Standard of Living, Up or Down?" *American Economic Review.* March, 1916, pages 9–25)

The housing of common labor in the United States (Kenngott, George F., *The Record of a City*, Chapter III Breckenridge, Sophonisba and Abbott, Edith, "Housing Conditions in Chicago," *American Journal of Sociology*, January, 1911, pages 433–468, July, 1911, pages 1–34, September, 1911, pages 145–176)

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CHAPTER XX

Progress of the Standard

In view of the significance of the wage earner's standard to the well-being of a democracy it is most important to know whether in the United States this standard is improving or deteriorating. Our whole attitude toward the prevailing social system must be colored largely by whether it tends to elevate the material condition of the mass of the people, or to drag it down. If there is a tendency in modern social evolution to depress the common man, it is imperative to understand it and to seek to find some counteracting force. Social science has not yet given us a final and conclusive answer to this question. It can not be settled by wages alone nor by prices alone, for the standard of living is a resultant of the combination of wages and prices. Both wages and prices have gone up very much in the last two decades, but it is very difficult to tell which has gone up more. The best evidence on the subject goes to show that since about 1890 the standard of living of at least the unskilled wage earner's family has been slowly but positively going down. This effect shows itself in a somewhat smaller proportion of the total income left for nonessentials after exactly the same budget of necessaries has been provided. That is, if a young working family to-day lived in exactly the same sort of apartment, ate exactly the same food, wore the same clothes,

Trend of the Standard:

and used the same amount of fuel as their parents did thirty years ago and earned their income in the same way, they would have a somewhat smaller proportion of their total income left for nonessentials than their parents did. They would, of course, have more dollars. But as the prices of the things they would want to buy with their dollars have risen proportionately with other prices, they would not be able to buy as many things. To be sure they would be able to buy some things — movie tickets, for instance —



Getting things for nothing often indicates a low standard of living.

that their parents could not have bought at all. They would also be able to get some things for nothing that their parents could not — medical attention at the clinic and medicines at the dispensary, baths at the municipal pool, concerts in the public parks. But the very fact that they would be compelled to get these things for nothing is in many cases itself an evidence of a low standard of living. Most people prefer to pay for such things, and, if they can afford it, they are supposed to do so. On the whole, the young people's money would not go quite as far as their parents' money did at the same period in their career.

While the foregoing conclusion is not a matter of absolute proof, it is supported by such overwhelming evidence that

it makes it plainly worth while to inquire into the forces which have at least possibly produced this result. Since the standard of this class is dependent primarily upon wages, these forces must be such as affect wages unfavorably relative to other prices.

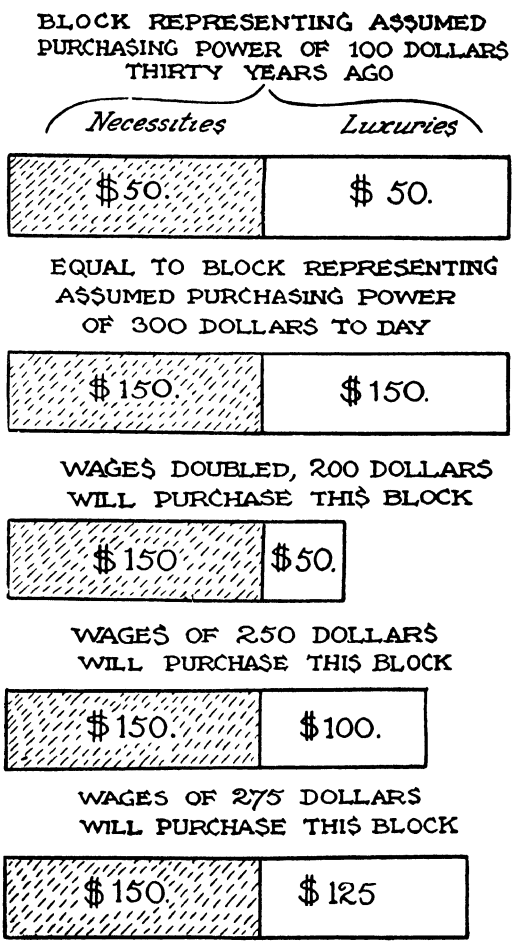
Factors in Declining Standard

We have already considered the forces which govern wages in general. The question now is what changes have taken place in recent years which have tended to weaken the relative power of labor in the wage bargain? Some of the more important are as follows: First, the increasing difficulty of becoming a landowner, which has already been discussed. Second, the great increase in the size of the typical productive plant, which has made it much more difficult to accumulate enough capital to become an independent producer. There used to be a saying that "It is the first thousand that counts." A thousand does not count very much in these days. This tends to increase the proportion of the population that must get its living as wage earners. Third, the labor-saving character of modern machinery. We have seen that the demand for labor comes largely from the owners of capital, and it might seem that increases in capital would bring a corresponding increase in the demand for labor. But the development of machinery has been such that a given unit of machinery requires less and less labor to operate it. For instance, the power looms that were in use some years ago required one attendant for every two looms. The modern looms are so improved that one worker can take care of twenty-four or even at times as many as thirty-six of them. So the demand for labor is by no means proportional to the increase in capital. Relative to the other factors of production labor as a whole

is becoming steadily less important, while the number of laborers is increasing. The power of labor is consequently declining, and it is not able to maintain its standard of living.

Let us assume that for a certain number of months thirty years ago a man was paid in wages one hundred dollars, and that during that period fifty dollars had to be spent on absolute necessaries (Fig 1, shaded portion of block) He would then have had fifty dollars left to spend on luxuries (Fig 2, white portion of block) Supposing that nowadays prices were three times higher both in necessaries and luxuries and that a man's wages were double what they were thirty years ago — he would have to pay for absolute necessaries for the same number of months—one hundred and fifty dollars He would then have for luxuries fifty dollars as had the workmen of thirty years previous The purchasing power being one third his luxuries would be limited to one third (Fig 3, white portion of block) But supposing that his wages were two and one-half or two and three-quarters times what wages were thirty years ago his purchasing power of luxuries would still be less even though he had one hundred or one hundred and twenty-five dollars to spend (Figs 4 and 5, white portion of blocks) His standard of living would consequently be lower nowadays and since the best evidence goes to show that the standard of living of the American workman is going down, wages evidently are not advancing proportionately with prices

Furthermore, prices of necessaries are advancing more rapidly than prices of luxuries so that in the accompanying diagram the white portions of the blocks are still too big



Another force that works in the same direction is connected with the varying rises in the prices of different commodities. We have seen that prices in general have risen greatly in the last generation. But some prices have risen more than others. As a rule the prices of necessaries have risen more than the prices of luxuries. This increases the burdens of those whose outgo is mainly for necessaries and favors those whose outgo is mainly for luxuries. The explanation of this fact is found, perhaps, in the great increase in effective demand which is exerted by the wealthy minority of the population. This demand is almost wholly for luxuries and has caused a shift of productive factors from the industries creating necessaries to those turning out luxuries. This process has been hastened by the fact that the individuals who direct industry and control the factors of production belong for the most part to the classes that are interested in having luxuries abundant and cheap and care very little how high the prices of absolute necessaries may be, for which they spend a very small proportion of their outgo.

Necessaries vs. Luxuries

There can be little doubt that there are forces in modern industrial evolution which tend to depress the standard of living of the wage-earning class. It is hard to see how this tendency can be checked and the situation improved except by introducing some new principles into the system of remunerating labor. This may be by basing wages on something else than the results of a class struggle, or it may be by abandoning entirely the wage system as we know it and finding some other method of distributing the product of labor. But these are questions of

A Problem

improvement and can be considered more appropriately, later. Just now we are concerned with finding out why things are as they are.

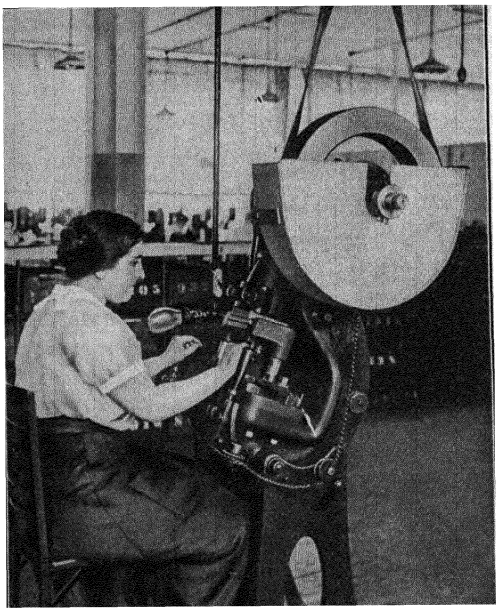
Before leaving this subject, mention should be made of one special factor which has operated very powerfully in the United States to depress the standard of living of the wage earner. This is foreign immigration, which has exerted a profound influence in this field as in so many other departments of our national life. Detailed discussion of this factor can best be postponed until we come to the question of immigration as a whole.

Immigration a Factor

Thus far we have been considering the standard of living in its correct definition as a strictly economic matter. There are certain other aspects of the life of the wage earner and his family that, while not economic, are so closely connected with the economic factors that it will not be out of place to touch on them briefly here. First among these other aspects are the conditions of labor itself, and foremost among them is the matter of the hours of labor. The hours of labor are of great importance to the wage earner for several reasons. In the first place he is usually paid by the hour, so that his income is directly affected by the number of hours he works. In the second place for most wage earners the hours of labor are purely a means to an end. There is little or no enjoyment connected with the work itself. This is one of the unfortunate results of the mechanization of industry, the division and specialization of labor. It is a part of the price we pay for efficient production and maximum product. The joy of workmanship is almost wholly lost on the part

Nonmaterial Elements: *Hours*

of the ordinary machine attendant or with most other types of unskilled labor. There is very little of either pride or interest in the work itself. There is nothing interesting about sitting in front of a moving stream of open cans of beans and dropping an infinitesimal piece of pork into the top of each can as it comes along, nor in monotonously pulling a lever back and forth all day long. The worker has not even the interest which might come from ownership of the product, for the product does not belong to him, and never will. In extreme cases this lack of interest reaches the point at which the laborers do not even know what the product is to be when it is finished. There is nothing about a great part of modern industrial labor that either interests, develops, or inspires the worker. Consequently the possibilities of enjoyment of life for the worker are found in the hours outside of the working day. The shorter the working day, the longer this period of leisure. These facts are of a significance hard

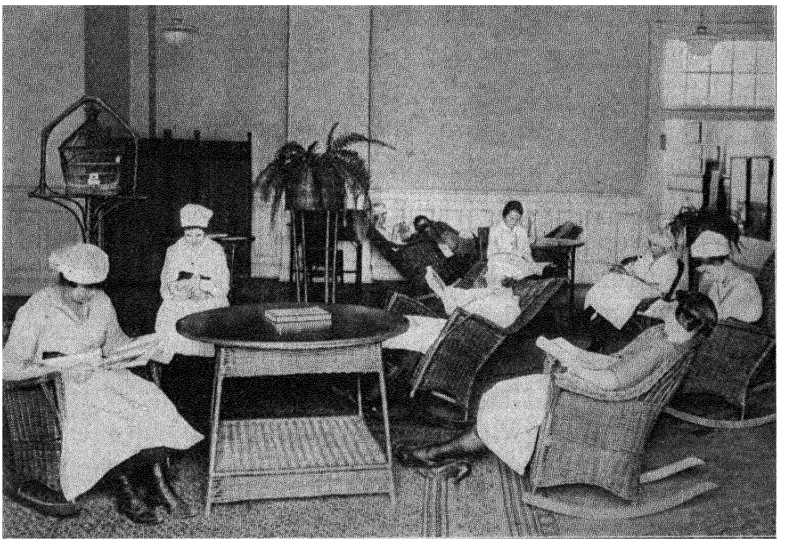


Much modern machine labor is monotonous and uninteresting.

to grasp by those fortunate persons who find a real pleasure in their work.

Second, the hours of labor are of great importance from the point of view of the health of the worker. Much new light has been thrown on this subject by the recent studies of fatigue. It has been

Fatigue



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A rest room in a well-equipped modern factory.

learned that fatigue is due to poisons which are the by-products of muscular exertion. These poisons are created while work is being done and are eliminated from the system by the lungs, pores, and other organs during periods of rest. If the period of rest is long enough, the poisons will be entirely eliminated, and the worker will start the next period of labor rested and refreshed. But if the labor is too strenuous or the period of rest too short, not all the

poisons can be eliminated, and some will be left in the system at the beginning of the next period of labor. So the poisons gradually accumulate until fatigue becomes chronic, and economic efficiency begins to decline. An interesting illustration of the truth of this explanation of fatigue is found in the fact that if juices from the body of a tired dog are injected into the body of a fresh dog, the latter immediately becomes tired. There is sound biological ground for the institution of one day's rest in seven, and under most modern industrial conditions a day and a half is even better. There are also good biological and economic grounds for the limitation of the hours of work during the remaining five and a half days.

Optimum Working Day: *Economic*

With reference to the most desirable length of the working day itself the final answer has not yet been given. It differs undoubtedly in different occupations. The amount of speed, strain, and nervous tension and the positions and attitudes required have a great deal to do with it. The principles of fatigue, however, suggest the method of determining the maximum in any occupation. The hours of labor should not be so long that the fatigue poisons accumulated can not be wholly eliminated in the customary periods of rest. This is required not only by the welfare of the worker as a human being but also by the needs of industry as a wealth-producing agency. It is not good economics to keep laborers at work so long that their economic efficiency is destroyed by the cumulative effects of fatigue. Before fatigue came to be so well understood, the idea prevailed that the amount of product turned out by a given worker was directly proportioned to the length of time he worked. Somebody worked this out into

a theory of profits which stated that the first hours of the day served only to repay the employer for his expenses, and the profits came wholly from the last hours of labor. Some people still hold to that notion. They think of human energy as a constant flow of power which can be turned on and off like a stream of water or a current of electricity. As long as that idea prevails, there is a tremendous pressure upon employers to keep their laborers at work as long as possible. In England during the first third of the last century little children ten, eight, and six years of age were kept at work twelve, fourteen, and even sixteen hours a day in order that the profits of their employers might be as large as possible. So widespread was the idea that even those who advocated a shorter working day for humanitarian reasons fully expected that it would be disastrous to English industry. It was a great surprise to everybody, when, after years of agitation, a law was passed limiting the hours of labor of children in the textile industries, to find that these industries instead of being crippled sprang forward into a period of unprecedented prosperity, even though general industrial conditions were very unfavorable at the time. This is one of numerous interesting cases where human sympathy has proved a better guide to economic prosperity than the current conception of economic laws. People too often forget that economic laws are determined in the end by the nature of the human being.

The struggle for a shorter working day for adults as well as for children has been a long one; it is by no means over yet. There can hardly be objection on the part of anybody to reducing the hours of labor as long as the product is not reduced. It is a very interesting

Social

and significant fact that in practically every important case where it has been tried the shortening of the working day has not resulted in any decrease of product per man; often it results in an actual increase. But evidently this can be true only up to a certain limit. A man may be able to produce as much in ten hours as he does in twelve or as much in eight hours as he does in ten. But it is hardly

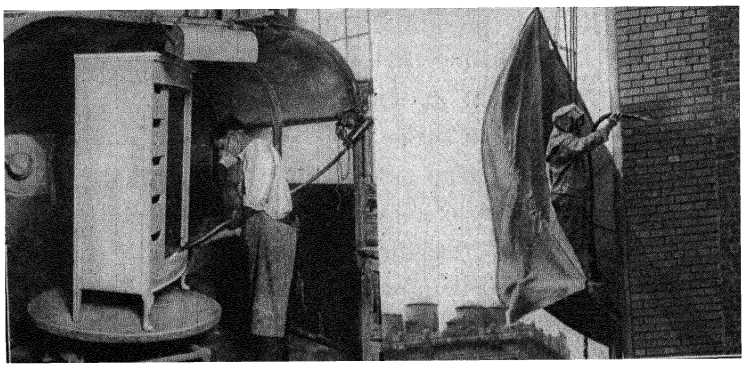


Photo by Ewing Galloway

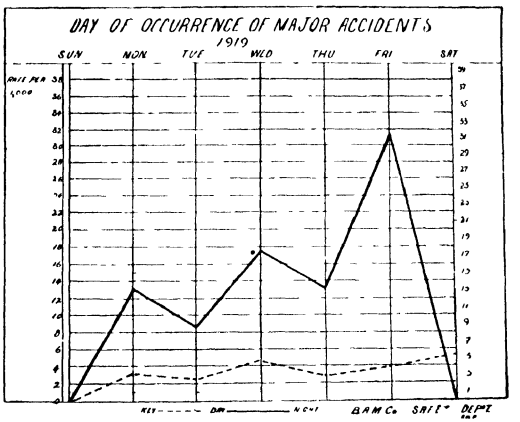
The worker at the left is wearing a mask as a protection against lead poisoning; the worker at the right to protect himself against the flying particles of the sand blast.

possible that he could produce as much in one hour as he does in eight. It will take a long series of scientific experiments to show just what the optimum working day from the economic point of view is in each occupation. Even when this is determined, it will not necessarily follow that this is the optimum day from the point of view of human welfare. Man is something more than a wealth-producing animal. It may be desirable for him to work less time than that required for the maximum material product. But this larger question must wait for the solution of the economic one.

The statement, "Eight hours for work, eight hours for sleep, eight hours for play," is a good campaign slogan. In the meantime employers as a rule are suspicious of changes and habitually oppose any reduction of the working day below what it happens to be in their own industries.

The problem of overtime is also closely related to fatigue. Overtime means working beyond the customary or regular number of hours per day, practically always for extra pay. This practice often seems desirable to both employers and laborers, to the former because it may make a considerable difference in profits at a critical time, to the latter because the hourly rates of pay are usually higher than for regular time. If indulged in moderately, overtime may do no harm. But if carried to the extent of causing extreme fatigue, it may produce permanent injuries, particularly in the case of women workers. In such cases the extra money gain is dearly paid for.

Overtime

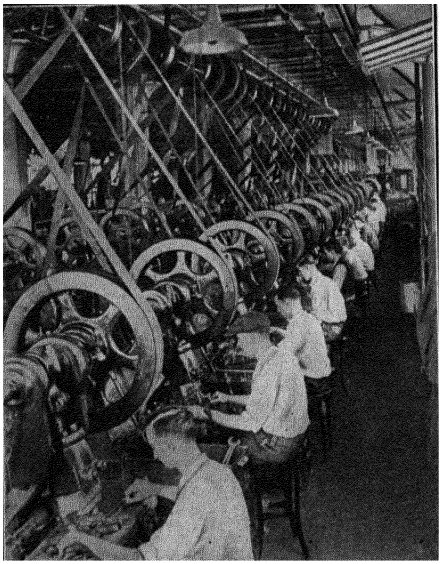


This chart shows the occurrence of industrial accidents on different days of the week

Other conditions of labor which are of great importance to the wage earner have to do with ventilation, sanitation, light, heat, and the discomforts and dangers of the trade. Many industrial processes are disagreeable, and many others are risky.

Conditions of Labor

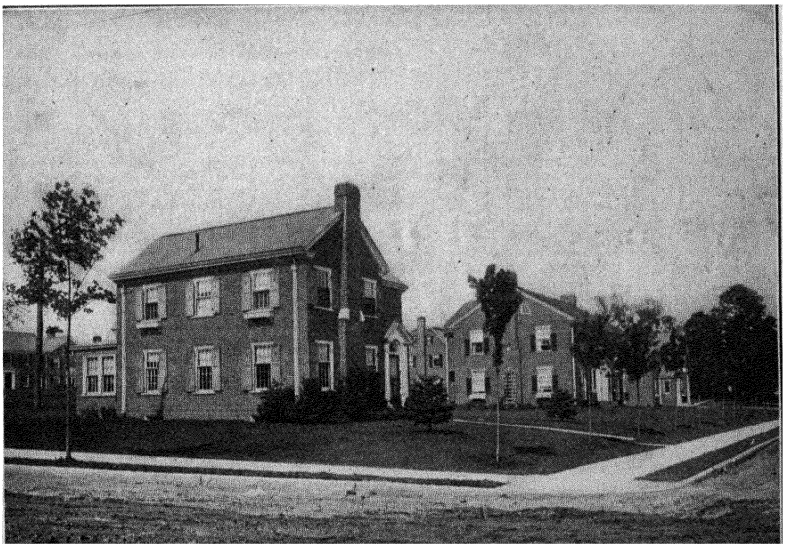
Various forms of disease are almost inseparably connected with certain pursuits, such as lead poisoning in pottery works and different chemical industries; and death itself is frequently lurking in the background, especially in such industries as mining and railroading. About 23,000 persons are killed each year and 700,000 seriously injured in industrial accidents in the United States. Many of these risks can be removed or lessened by measures already known. But this costs money, and employers in the face of keen competition dislike to undergo the expense. It has consequently been found necessary for the government to take steps to compel employers to live up to certain minimum standards in their care for the safety of their workers. As long as all businesses are subject to the same requirements, the employer who wishes to do right is not at the mercy of the unscrupulous employer who thinks only of profits regardless of the effects upon hundreds of human individuals or the injuries to society. The elaborate mass of "social legislation" which is characteristic of every up-to-date state is a very interesting illustration of the principle



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Systematic accident prevention.

that the conditions of modern society very often require the government to fix a minimum level below which competition may not take place. These measures do not destroy competition itself. They allow free competition above a certain plane. But they do not allow competition to drag a whole industry down to the level which would be set by the



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Houses like these are above the laborer's standard.

most inhuman and unscrupulous employers in that industry.

On the whole the average laborer is reasonably safe and comfortable in his work in the United States to-day. Many employers, recognizing the economic advantages of happy, healthy workers, have gone to great lengths in providing hospitals, rest rooms, restaurants, libraries, and various recreational facili-

Room for Improvement

ties for their employees. But much still remains to be done before all wage earners enjoy the degree of comfort and security in their work which is only fair in view of the monotonous, dull, pleasureless character of the work itself.

It would not be profitable to go into a detailed study of



The provision of good homes for the families of workers is an important part of social policy. Sometimes this is done by the employing concerns.

the standards of living of the various other classes in the country. The most important problems of social policy revolve around the protection and upbuilding of the standard of the great working class. If this can be properly safeguarded and developed, there will be little danger of any serious deficiency in the standards of living of the other classes.

The Basic Standard

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QUESTIONS

1. Is the general tendency of the standard of living of the wage-earning class in the United States up or down? How can we test this movement?

2. Describe some recent changes in the factors affecting the wage bargain which have been unfavorable to labor.

3 Explain the importance of the length of the working day from the point of view of the laborer (*a*) as regards enjoyment of work, (*b*) as regards health.

4 What has been the general effect of reduction in the hours of labor upon the amount of the product? How can this result be explained?

5. What is overtime? What are its advantages and its dangers?

6. Explain the principle upon which the optimum length of the working day may be determined.

7. What is the effect upon competition of governmental regulation of the conditions of labor?

8 What is the customary length of the working day in some of the chief occupations in your community? Is this length determined by the government? By a free bargain between employers and laborers? By the trade-unions? By employers? By custom?

TOPICS FOR FURTHER STUDY

The progress of the standard of living in six hundred years (Rogers, J. E. Thorold, *Six Centuries of Work and Wages*, pages 183–186)

CHAPTER XXI

Population

Since the size of the population is of so great importance to a society or nation, it will be useful to consider the principles and forces which determine what the size of the population of any society shall be at a given time.

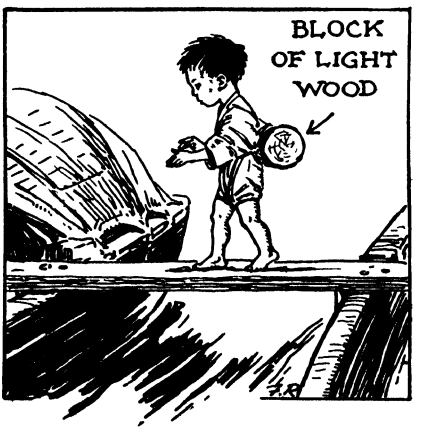
The growth of population is basically simply a question of the increase of the human species. We have already observed that at the beginning of his career man's increase was governed by practically the same forces as that of the other animals. The production of new members of the species was the result of a powerful, natural instinct to which man yielded just as all animals yield without thought and without any knowledge of its consequences. It was purely a biological matter. Like every other species man was equipped with a biological capacity for reproduction far in excess of the possibilities of getting food from Nature, and so the number of the species tended always to be limited by the amount of food available. Like every other species man was faced with the necessity of submitting to a fixed limit of numbers. This necessity he escaped by means of movement into new areas and by the development of economic arts and an economic organization. During the early portion of human existence the expedient of movement was the more important of the two methods; within the last few thousands of

Primary Increase

years the development of economic civilization has been the chief means of providing for an increasing population.

As man increased in intelligence and knowledge, the matter of reproduction was gradually lifted out of the realm of instinct and brought into the distinctly human sphere of thought, reason, and will. In the course of time men learned the relation between mating and the production of offspring. This was a very great achievement. Previously all sorts of erroneous and superstitious notions had prevailed. It had been believed that a child was born because the mother had eaten some particular thing, or because she had been visited by a stork, or for some other equally absurd reason. It now became possible to control the increase of the species provided that mating could be controlled.

Rational Increase



In China where many live their entire lives on houseboats, little boys are outfitted with a block of buoyant wood attached to their backs to prevent drowning accidents. No such provision is made for little girls.

Primitive man was always threatened by overpopulation much more than by underpopulation. In fact, the danger of underpopulation was hardly thought of, while the danger of overpopulation was an ever present fact. Consequently human tribes all over the world very early adopted various crude but effective methods of preventing too rapid an increase of

Restrictive Folkways

population. These methods usually took the form of killing superfluous children either before or after birth. Infanticide, especially of females, has been very common from time immemorial and has not wholly disappeared even yet. The undue increase of population was also prevented by various stringent regulations of the marriage and family institutions.

Tradition of Large Population:

The purpose of all these regulations and folkways (although primitive man himself would not have put it in this way) was to preserve the standard of living of the group. In other words, the increase of human population has always threatened the standard of living and continues to do so to-day. This, however, is only beginning to be understood and is grasped by only a small part of even the most intelligent populations to-day. It is only within very recent years that people have begun to think about the size of the population from the point of view of its effect on the standard of living of the people as a whole. Until a few generations ago the idea prevailed in most civilized countries that an increase in population, and a rapid increase, was a good thing. Even to-day most people welcome the evidence of the census which shows that their own country, or state, or city is growing in population and think there must be something wrong with a country like France which has an almost stationary population. This idea has become an important part of our folkways, and we take it for granted. Parents who produce a large family of children think that they have rendered a service to society and are so regarded by society at large.

This idea owes its origin probably to the fact that for

hundreds of years past the prosperity and prestige of a society or nation has depended very largely upon its military strength and success. This, in turn, has depended chiefly upon the number of men who could be put into the field as soldiers. From the state point of view, therefore, the larger the number of people who could serve as "cannon fodder" the better. Now, in all despotic or tyrannical states the interest of the state is represented by a single individual or a small privileged class. Such an individual or class cares very little about the standard of living of the common people, provided the strength and majesty of the state can be preserved. Louis XIV expressed this idea tersely when he said, *L'etat c'est moi*— "I am the state." A further reason for desiring a large population under such conditions is found in the fact that the common people furnish the main source of the state revenues secured by taxation. So the state officials, who largely control the agencies of public opinion in such a state, were able to persuade the common people that they were performing a duty to their society by increasing the population as much as possible. A further reason for this popular idea may perhaps be found in the fact that every religion likes to increase the number of its followers as much as possible, so the religious sanction was added to the other forces tending to stimulate population.

Origin

It is only since democratic ideas and democratic institutions began to prevail that people have even begun to think of population in terms of the common standard of living. It has been a very hard task to break down the old traditional notion which, like every well-established folkway, has a tremendous

Difficulty of Correcting Tradition

weight and power of resistance. Naturally the interests of all who profit by a large body of common people will be opposed to any such change in sentiment. In the United States a still further obstacle is presented by the fact that for a long time we were really an underpopulated country, and increases in population were a good thing all round. It is hard for people to realize that this condition has changed and that traditional national policies must be modified.

The relation between population and the standard of living may be illustrated by the accompanying diagram.

Four Factors of Social Welfare: The circle represents a society. The four quarters of the circle represent the four great factors in human welfare. These four factors are so closely connected that none can be called wholly an effect and the others causes. The relations of cause and effect run through them all in an intricate way. For most practical purposes, however, we may think of the two quarters at the bottom of the circle as the sources of material well-being and the upper quarters as the use which the society makes of those sources. All material wealth is taken from the land and is made available for human satisfactions by means of the stage of the arts. It is used to

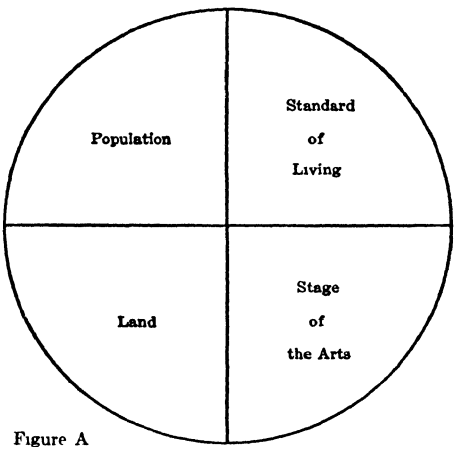


Figure A

support a population and maintain a standard of living. The more land there is on a given stage of the arts or the higher the stage of the arts on a given amount of land, the greater are the means for supporting population and maintaining a standard of living. A society with a large amount of land and a high stage of the arts is equipped for great prosperity.

We have seen that a society may be underpopulated or overpopulated. Take first the case of an underpopulated society. This may be represented by Figure B:

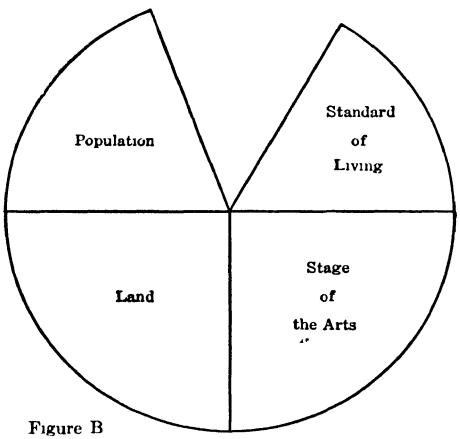


Figure B

Underpopulation

Such a society has an abundance of land and a sufficiently high stage of the arts. But it has not enough people to use these two factors to the greatest advantage. So the standard of living can not be raised to the maximum. Under these conditions each increase in the population will bring an increase in the standard of living. These two sections of the circle will both increase until they come together. This, as has already been stated, was the condition during the Colonial period in this country and probably during several decades of our national life.

The line on which these two sections meet represents the optimum population of the society under the given condi-

tions. Any further increases in population must be at the expense of the standard of living. The line is forced over, and the standard of living is reduced. The society becomes overpopulated, as indicated in Figure C.

Overpopulation

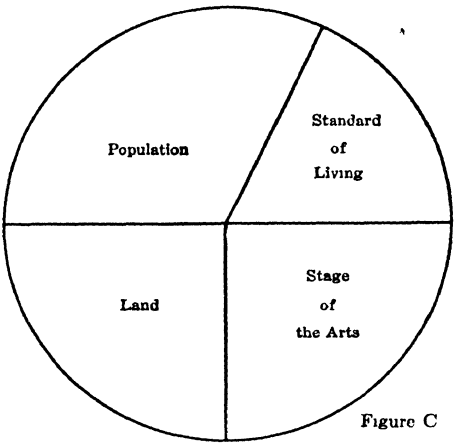


Figure C

The possibilities of improvement in the well-being of a society are represented by increases in the sections in the lower half of the circle. The increase may be in either one, or both. Suppose it is in the land section (Fig. D). The society now has acquired additional resources. These give it the opportunity to increase either its population or its standard of living. When these opportunities have been fully used, we may think of the circle being restored again, only now it is somewhat larger than before. Suppose the advantage is used to

A New Chance

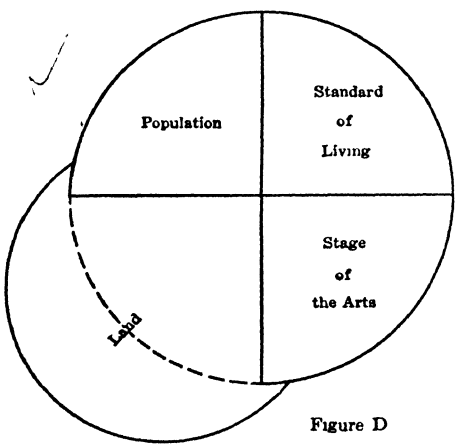


Figure D

Gain to Population

increase population. The situation would then be as in Figure E, the same stage of the arts and standard of living, more land and population. If, on the other hand, the society uses its advantage to raise its standard of living, the situation would be represented as in Figure F.

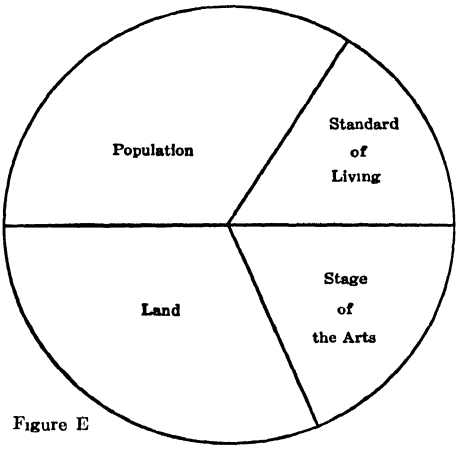


Figure E

Gain to Standard

There is a third possibility, that the society may use its advantage partly for the increase of population and partly for the improvement of the standard of living, as in Figure G (page 346).

Distributed Gain

The same possibilities are present and may be worked out in the same way if the improvement comes in the stage of the arts instead of in land, or in both of them together. Whenever such an advantage comes, a society has the choice of devoting it to an increase in population or to a raising of the standard, or of dividing it

Possibilities

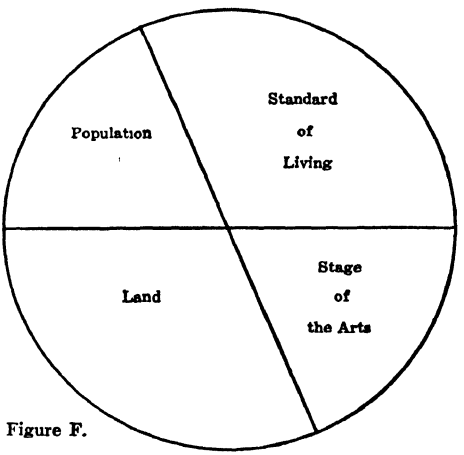


Figure F.

between them. It is most important to realize, however, — nothing in all social science is more important, — that the maximum advantage can not be used for both population and standard of living. What one gets the other can not have (assuming, of course, that the society has passed beyond the line of under-population).

A Great Problem

The greatest public problem which faces any intelligent society to-day is to decide first of all whether it is overpopulated, and second whether, if it is, it shall use future opportunities for the increase of population at the expense of the standard or for the raising of the standard at the expense of population. It is reasonably certain that advantages will continue to come, particularly in the direction of improvements in the stage of the arts, which is our great hope for the future. The possibilities of increasing land for mankind as a whole are about exhausted, but there is no assignable limit to the distance we may go in the improvement of the arts. Every time such an improvement is made the society directly concerned has the chance to choose whether it wants more people with the same degree of happiness or the same number of people with a higher degree of happiness. One of the many great arguments for the abolition of war is the removal of the military argument for large

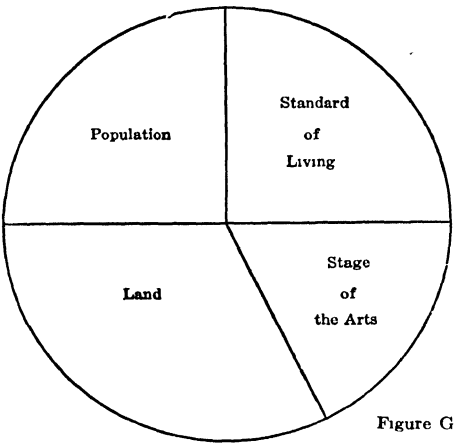


Figure G

populations, leaving societies free to settle the question on the grounds of happiness.

Having settled the question as to how advantages are to be used, the next task of an intelligent society is to devise plans and policies for realizing its decision. It must control the forces at work, which as we have seen are the desires and purposes of individual human beings. Probably no society in the world has yet worked out an inclusive, deliberate program in this matter. It is only very recently that societies have begun to think about the question in scientific terms at all. In the past the actual size of the population of any society has been the result of a sort of rule-of-thumb balance between the instinctive mating impulse, the traditional sentiments with reference to a large population, and the desire for a good standard of living. The choice between population and welfare has been largely subconscious and governed by the folkways. Such policies and methods as have existed have been the product of the evolutionary experience of the group rather than of a rational analysis of the problem. The result, as we have seen, has been that most old societies have allowed themselves to become overpopulated to a more or less distressing degree. The forces of multiplication have proved stronger than the forces of welfare. The United States is inexpressibly fortunate in having started its career so late in history that it did not have time to become seriously overpopulated before the dawn of a genuine social science. It remains to be seen with how much wisdom and foresight our country will actually use the existing knowledge of the principles of population in the interests of future generations of Americans.

Population Policies

The Factors of Increase:

The actual numerical increase or decrease of any population is determined primarily by the number of births and deaths. It is also affected by migrations, which we will leave out of consideration for the present. Additions to population come by births; deductions come by deaths. If there are more births than deaths, population increases; if there are more deaths than births, population decreases. The number of deaths in a year subtracted from the number of births in a year gives the numerical increase of the population for that year. For purposes of study these facts are usually represented by rates. A *rate* is the proportion between a variable and an arbitrary fixed base number which represents the actual proportion between that variable and the whole number of units involved. Birth rates and death rates are usually expressed in terms of 1000 of the average population for periods of one year. Thus a birth rate of 24 means that for every average 1000 of the total population 24 children were born during the year. To get the birth rate, divide the actual number of births by the number of thousands in the total population. The death rate is figured in a similar way. The rate of growth of population is found by subtracting the death rate from the birth rate, or it may be found by dividing the numerical increase by the number of thousands in the population. If there have been more deaths than births, this rate becomes a minus quantity.

It is evident that the same rate of increase of population may be accomplished by many different combinations of birth rates and death rates. For instance, Hungary, with a birth rate of 36.3 and a death rate of 23.3, has a rate of in-

crease of 13, which is exactly the same as the rate which Italy gets with a birth rate of 31.7 and a death rate of 18.7, and Jamaica, with a birth rate of 34.6 and a death rate of 21.6. It follows also that a high rate of increase does not necessarily require a high birth rate. New Zealand, with a birth rate of 25.9, has a much higher rate of increase than Chile, with a birth rate of 37, because the death rate of the former is only 9.6 while that of the latter is 27.8. From the point of view of the growth of population it makes no difference whether a rate of increase of 10 is secured by a birth rate of 40 and a death rate of 30 or by a birth rate of 20 and a death rate of 10. But it does make a great deal of difference from the point of view of human welfare. Both births and deaths are painful and expensive. Neither is to be desired for its own sake, but (if at all) only for its results. The only reason for desiring a birth is that there may be a living child and an additional member of society. It is much better to have one child born and kept alive than it is to have two children born and one of them die.

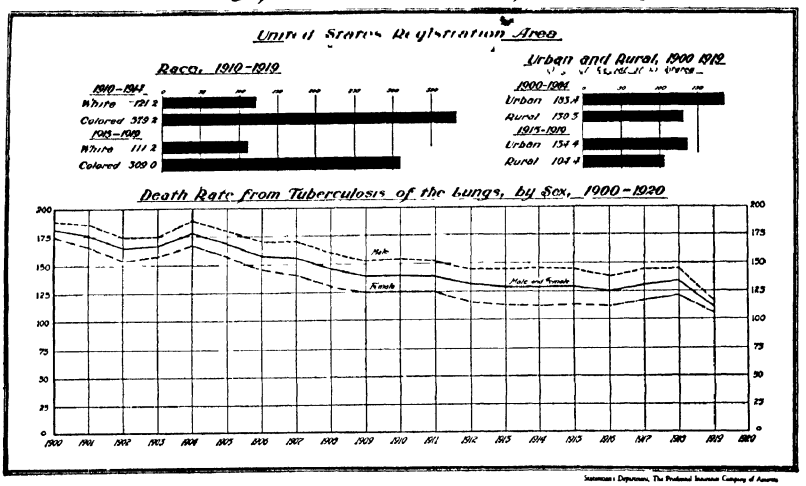
Desirable Rates

It follows that a society which desires to increase its rate of growth of population can more profitably devote its attention to decreasing the death rate than to increasing the birth rate. It hardly need be said that a country which wishes to decrease its rate of growth should do so by reducing the birth rate rather than by increasing the death rate. Yet in point of fact, when an increase is desired, attention is almost always focused on the birth rate. Thus France, which is at present very much alarmed over her small rate of growth, is conducting a vigorous campaign for an increase of births

Births vs *Deaths*

and apparently paying very little attention to the decrease of deaths, although her death rate is relatively high. The birth rate of France in 1912 was 19.0, and her death rate, 17.5. Many countries have a death rate of less than 14. If France could have brought her death rate down to this

Mortality from Tuberculosis of the Lungs



Modern social care is reducing the death rate from tuberculosis, as well as other diseases

point, she could have had a very considerable rate of increase. One explanation of this situation may perhaps be found in the fact that the reduction of deaths is such a desirable thing for its own sake, irrespective of the rate of growth of population, that societies are continually working on that problem and may perhaps feel that they are doing as much as possible. In point of fact the last few centuries have witnessed a very remarkable reduction in the death rates of all civilized countries. Accurate figures on the subject do not go very far back in most countries, but it is

generally estimated that in the United States ten years have been added to the life of the average person in the last fifty years, and that with knowledge which we already possess it ought to be possible to add another ten years in the next decade or two.



Modern scientific laboratory methods are helping to check many terrible diseases. This man is cultivating anti-rabies germs in the Pasteur Institute in Paris.

Reduction of Infant Mortality

A large part of this result has been accomplished by reductions in the rate of infant mortality, that is, the deaths of children under one year of age. The first months of life are very difficult ones, and in countries with a low civilization, as high as thirty or forty per cent of all children die within the first year. Up-to-date social measures have succeeded in reducing that percentage to as low as ten or even lower in some communities. In the United States as a whole it is just about ten. The state of Connecticut by progressive social measures succeeded in cutting its infantile death rate

exactly in half in twenty years. In the case of adults great things have been accomplished by the partial control of certain widespread diseases such as small-pox, typhoid, and tuberculosis.

At the same time there has been a great decline in the birth rate due to a variety of factors, among them the rationalization of the question of increase. But the decrease in the birth rate has not kept pace with the decrease in the death rate for the world as a whole so that the rate of growth has increased. The human species has multiplied faster since the beginning of the nineteenth century than at any other time in its existence. It is estimated that at the beginning of the nineteenth century the population of the entire globe was between 640,000,000 and 700,000,000. To-day it is about 1,700,000,000. In other words, since 1800 there has been a much greater increase in the human species than in all previous time. This is a very remarkable and startling fact and may seem at first to contradict all that we have just been saying, especially in view of the fact that during this same period the standard of living of the world has been greatly improved. The question naturally arises, How could this happen, and if it could happen in the nineteenth century, why not in the twentieth century, and the twenty-first, and so on indefinitely?

Rapid Increase:

The factors of human welfare which we have just been studying give the answer to the first part of the question. The unprecedented advances in both population and standard of living during the nineteenth century are explained by unprecedented additions to land and the stage of the arts at the same time. The addi-

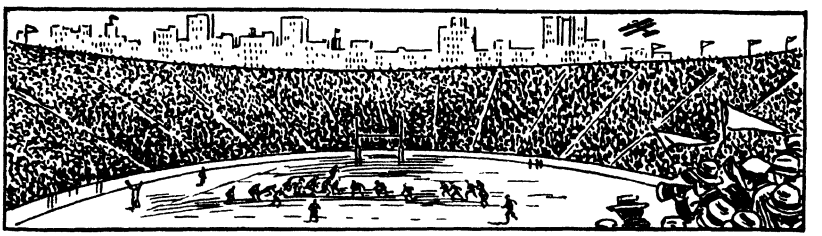
Causes

tions to land came through the discovery of the American continents and other great discoveries at about the same time. From the point of view of the civilized nations of the world these new areas were practically uninhabited land, because



In the days of the covered wagon the western plains were very scantily inhabited

their populations, as we have seen, were so scanty and low in culture that they hardly touched the real productive capacities of their land. At about the same time, and partly because of these discoveries, an unparalleled advance was made in the stage of the arts which we know by the name of the Industrial and Commercial Revolution. This



The attendance at a big football game is more than one tenth as large as the whole Indian population.

remarkable combination of advantages gave the human species an opportunity for improvement in welfare such as it had never had before. It was absolutely unique in human history, and, so far as we can see, it can never be

repeated. There may be great improvements in the arts in the future, but there certainly will never be any more such additions to land. These opportunities were so sweeping, and came so suddenly, that the forces of multiplication did not have time to monopolize them completely, and a great deal was left over for the standard of living. What might have been accomplished in raising the standard of living if the civilized nations had thoroughly understood the principles of social science can hardly be guessed. The practical question is whether the nations of to-day will have the wisdom to use the scientific knowledge which now exists to make the best use of the advantages which remain.

Limits

These facts suggest the answer to the second part of the question as to whether this same progress may go on indefinitely. It clearly can not, because we can not go on discovering Americas and making revolutionary industrial inventions. A few figures will demonstrate positively that the history of the nineteenth century can not be repeated. If the population of the world should continue to increase at the rate which prevailed before the Great War, at the end of 10,000 years the whole population of the globe would amount to 221,840,000,000,000,000,000,000,000,000,000,000,000,000,000,000. This number is too vast to mean anything to the ordinary mind. It will help to make it clearer if we reduce it to terms of standing room. Allowing one and one-half square feet per person for standing room, this population would be 60,570 with 30 noughts following greater than the entire standing room on the earth's surface. If it seems that 10,000 years is too far in the future to concern us much, we may bring the matter closer home. We have repeatedly

spoken of China as an example of extreme overpopulation. But if the present rate of increase of the population of the United States continues, before the end of this century — a time that some of the readers of this book will live to see — we shall have here in the United States a population about one third larger on a land area about one fourth smaller than that of China to-day. It is physically impossible for the population of the world to increase at the present rate for more than a few generations longer, no matter how low the standard of living falls.

The Future of Population

The population problem is unquestionably one of the most important of all the problems which confront the world to-day. There is probably no other department of human life in which Nature imposes her penalties more sternly and certainly for failure to obey her laws. If men do not control population by the use of their reason and will, Nature controls it by checks of the most painful but effective kind. Starvation, famine, and pestilence are remedies for excessive overpopulation which Nature is always ready to apply. Many of the great wars of history have been the outcome of the pressure which comes from overpopulation and have resulted in temporarily reducing that pressure. It is a noteworthy fact, however, that the losses in population which come from war are very quickly replaced unless nations learn to prevent the excessive increase of numbers. The experience of the nineteenth century developed a spirit of optimism throughout all western lands. Even the crowded lands of the East have come to share it. To the unthinking mind it may seem that this progress will go on in the future without any more thought and scientific control than was

given in the past. We can now understand what a dangerous illusion this is. There is no effect without a cause in social affairs any more than in the physical realm, and the causes of the exceptional prosperity of the past century were strictly temporary. Further improvements in the arts may permit a moderate increase in population for a long time, perhaps indefinitely. But back of the stage of the arts there is always the law of diminishing returns placing absolute and positive limits on expansion. The increase of population in the future must be decidedly slower than at present if we are to escape world-wide disaster.

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QUESTIONS

1. What is the usual purpose of the regulations governing the increase of population among primitive peoples? Why is this so?

2. What has been the prevailing attitude toward increase of population among most civilized nations during the last few centuries? How can this be explained?

3. What forces are producing a change in the attitude of civilized nations in recent years?

4 Draw a diagram illustrating the relation to each other of the four great factors of social progress. Using this diagram, explain the difference between an underpopulated and an overpopulated country.

5. Explain the antagonism between population and the standard of living, using your diagram.

6 What factor offers our chief hope for the improvement of the standard of living in the future? Explain.

7. How are birth rates, death rates, and rates of growth of population determined?

8. If a society desires to increase its rate of growth of population, should it seek to alter its birth rate or its death rate? If it desires to decrease its rate of growth of population?

9. What is the general trend of birth rates and death rates in modern civilized societies? Give the reasons for this as clearly as possible.

10. How did the increase of the population of the world during the nineteenth century compare with the increase of preceding centuries? How can this be explained?

11. May we expect a continuation of the present rate of increase? If so, for how long? Explain

12 Would we gain or lose if the population of the United States became as dense as that of China? Give details

13. Explain the fundamental difference in the increase of numbers between men and the lower animals.

14. What are the alternatives to a rational control by society of the growth of population?

15 Name some great improvements, inventions, or discoveries of the past twenty-five years which have helped to maintain the standard of living.

TOPICS FOR FURTHER STUDY

The desirability of large families (Goldsmith, Oliver, *The Vicar of Wakefield,* Chapter I. Ellis, Havelock, *Essays in War Time,* pages 188–204.)

The antagonism between population and the standard of living. (Fetter, Frank A, "Population or Prosperity," *American Economic Review Supplement,* March, 1913, pages 1–19 Partially reprinted in Wolfe, Albert B., *Readings in Social Problems,* Chapter VI.)

CHAPTER XXII

Immigration

The expedient of movement as a means of avoiding or escaping overpopulation and raising the standard of living has been used by man for so large a part of his existence that the idea of movement has become thoroughly ingrained in his character; it has become almost "second nature" for him to think of

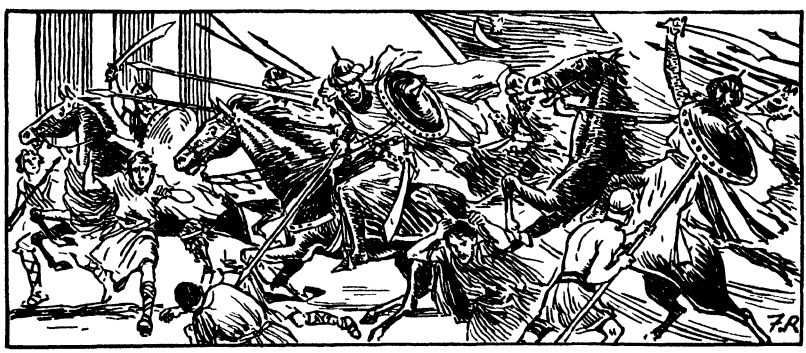
Migration: *Origin*



Goths — invaders.

movement as a means of relief whenever conditions become too hard for him at home. In the beginning, as we have seen, the characteristic movement was very slow and was an individual or family matter. As civilization developed, and human groups became larger and more coherent, great mass movements of population became very common. History is full of familiar examples, such as the invasions of the Goths and Vandals into southern Europe, the invasion

of the Huns and other Asiatic hordes into Europe, the migration of the Turks out of Asia proper into Asia Minor, and the movement of the Normans into England. While the basic reason for these migrations is always the same — the desire to secure better land conditions or to get possession of the products of land — the conditions which surround various migrations are so different that certain distinct types can be discerned. The first of these is the early, semi-instinctive sort of wandering which took place during the period of race formation and may be called *dispersion.* This movement was formless, purposeless, without plan or fixed destination. It was an unthinking response to un-



Turks — invaders.

favorable natural conditions. Its spirit is quite exactly expressed in the once popular song, "I don't know where I'm going but I'm on my way."

With the growth of a higher intelligence, population movements became of the more purposeful sort which may properly be called *migrations.* There came to be some plan and some purpose. The moving group had some ideas, very vague perhaps, as to where

Checks

they were going, why they were going there, and what advantages they expected to gain. This situation could exist only when there was some knowledge of the country of destination in order to serve as a basis of comparison with conditions at home. Men do not leave home and move to a far country without some powerful reason. This reason always takes the form of some discontent, discomfort, or dissatisfaction connected with the situation at home. The



Normans — conquerors.

ties binding the individual to the land of his birth are many and strong, summed up remarkably in those stirring lines:

> "Strike — for your altars and your fires,
> Strike — for the green graves of your sires,
> God, and your native land!"

The bonds of religion, the home hearth, the devotion to one's family and ancestors, and the patriotic loyalty to one's country all unite to form a great obstacle to a permanent change of residence. People do not voluntarily migrate unless they *believe* firmly that there are great advantages to be secured thereby. The discontent with the home situation may arise directly from very hard conditions there, or

it may be produced indirectly by a comparison of one's existing lot with the happy life which is reported to be possible in some other land.

Four distinct types of true migration may be observed. An *invasion* takes place when a group of vigorous, restless people with a relatively low grade of culture forces its way into the territory of a more civilized and often effete group with the intention of staying

Types



Spaniards — colonizers.

there permanently. Excellent examples are furnished by the movements of the Goths, Vandals, and Huns. A *conquest* occurs when a highly civilized, well-organized, and centralized group extends its military control over outlying regions with a lower scale of culture. The activities of the Romans and of Alexander the Great fall under this head. The result is "empire." The actual movement of permanent settlers in conquests is often not great. The expansion is largely military and political, and its purpose is to get possession of the products of land rather than of the land itself. The land is often left in the hands of the original owners. *Colonization* takes place when small groups of people are

sent out by state authority from a vigorous, densely populated country to plant settlements in a land peopled by natives of so low a culture as to be practically uninhabited. The home state retains political control over these colonies for so long as possible, though in the end they frequently become independent. The ancient Greeks were a great colonizing people, and planted their settlements at many points along the shores of the Mediterranean and in more



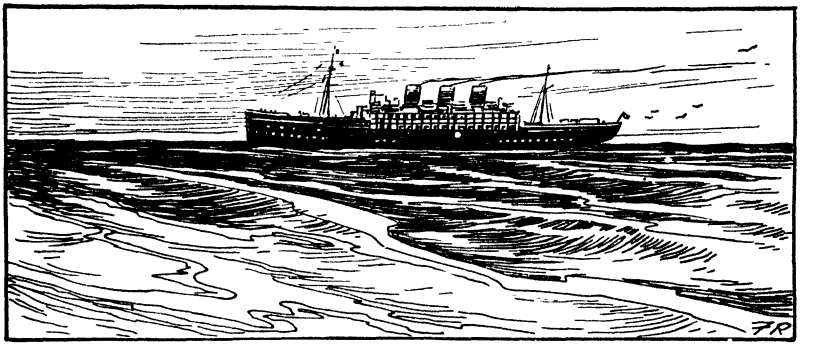
Dutch — colonizers.

remote regions. The settlements of the Spaniards and Portuguese in Central and South America, and of the French and English in North America belong to this type.

All of these forms of migration have certain points in common. They all involve contacts between groups on different levels of culture. They all are mass movements, the group acting as a whole. Finally they are all forcible, involving hostility and military operations, for the reason that the group into whose land the movement takes place resents it and tries to prevent it. The movement is carried on without the consent of this group. Within two or three centuries an entirely new

Immigration:

form of migration has developed, which not only did not exist before but could not have existed before. This is called *immigration* and is of particular interest to modern nations because it is the chief type of migration which now takes place. Most of all it interests the people of the United States because it has affected us more profoundly than any other nation on earth. Immigration differs from other forms of migration in the following points: It takes



Modern immigration.

place between groups upon practically the same level of culture; at least such differences as there are are not wide. It is carried on by individual initiative and on individual resources. It is not a state-supported movement as a rule. Such support as there is is usually given by the receiving state instead of by the sending state. This suggests the third great difference — that immigration takes place with the consent, and often with the active encouragement and help, of the receiving state. It is therefore a peaceful movement. There are many minor differences: Immigration takes place much more rapidly; there is a much better knowledge of the destination on the part of the migrant;

and there is a much greater return movement than in the case of any of the other forms of migration.

A Modern Movement

The conditions which make such a movement possible have existed only since the period of the great discoveries, from about the end of the fifteenth century, and have been fully developed only within the past hundred years or so. Previous to this time states were not willing to permit the free entrance of foreign citizens or subjects. The common people themselves did not have the knowledge or the initiative to undertake such an important venture, and the means of transportation were not available to make it possible. As a matter of fact, practically all actual immigration is between the countries of Europe as the source and certain other countries which were originally colonies of European countries and have since become independent as the destination. It is important to realize the strictly modern character of immigration because the attempt is sometimes made to find an answer to its problems through comparisons with conditions in Greece or Rome or some other ancient country. Such comparisons are sure to be misleading unless all the differentiating circumstances are taken into account. It is possible to learn a great deal about migrations in general by studying the history of ancient peoples, but it is not possible to find the solution of immigration problems by making any close analogy with such remote events.

Basic Motive

The basic force back of immigration is the same as that which is back of all population movements, the desire to secure the advantages of a more favorable land situation and the higher standard of living that comes from those advantages. Some of these ad-

vantages are not strictly the economic ones connected with the standard of living. But they are all derived in the final analysis from the favorable land situation. Thus in the case of the United States, a great many of our immigrants have been actuated partly by the desire to share in the religious freedom, social equality, and political independence which are characteristic of our nation as well as

An immigrant group.

in the unusual economic advantages. But all of these non-economic attractions depend more or less closely upon the land situation which has shaped the character of our institutions. In recent decades, since European countries have become more democratic and since our own country (it must be confessed) has become less democratic, the motives of immigration have become more and more largely economic, so that at the present time it is almost strictly

accurate to say that immigration represents a search for a higher standard of living on the part of the people of the older countries of Europe. It is worth noting that the reason why these receiving nations have permitted and encouraged immigration is that they have been, or have believed themselves to be, underpopulated. They have therefore looked upon increases of population as a means of raising their national standard of living. In addition to the United States, the principal other nations which are similarly situated and so receive a considerable stream of immigration are Canada, Brazil, Argentina, Australasia, and South Africa.

Colonial Immigration

In a certain sense immigration to America began during the Colonial period. There were many settlers who came to the Colonies from other countries than the home land. They were looked upon by the colonists as foreigners and were not so welcome as people of their own nationality. But no particular obstacles were put in the way of their coming if they were of good quality. From the time when the United States became an independent nation, all persons coming from outside were true immigrants. Since our present interest is in discovering general social principles, it would not be in place to attempt a detailed study of immigration to this country. Certain broad facts are worthy of consideration.

Changing Features

Since the basic motive of immigration is the desire for a higher standard of living, the strongest incentive to emigrate exists among those peoples whose standard is farthest below that which prevails in the countries of destination. Whether or not emigration takes place depends upon whether there are

means of transportation, whether there are adequate knowledge and financial resources on the part of the potential immigrants, and whether any obstacles are put in their way. In the case of the United States, the early immigration was almost entirely from Great Britain and Ireland, Germany, the Scandinavian countries, and northwestern Europe in general. Although these were highly developed countries, the difference between their standards of living and ours were sufficient to induce large numbers of persons to undertake the great adventure. And it was a great adventure in those days, because the dangers and hardships of the voyage were very great, conditions in America were little known, and the immigrant found himself literally among strangers in a strange land. As a result the immigrants were as a whole of a very high type. Only the bravest, most ambitious, and persevering individuals would undertake a trip in which the chances were hardly better than fifty-fifty of arriving at the destination alive. As the years went by, transportation facilities were improved and were extended to the more remote countries of southern and eastern Europe, and the knowledge of America began to penetrate among the common people of these countries. At the same time improved conditions in the northwestern European countries lessened the difference between their standards and ours so that the incentive to emigrate became much less. As a result the sources of immigration shifted away from northwestern Europe to southern and eastern Europe. This change began to be noticeable about 1880 and has gone on rapidly ever since until in recent years the great bulk of our immigration has been from these latter countries. The difference between their standards and ours is much

greater than that between ours and the northwestern countries.

The question may have arisen in your mind as to why our immigrants have been entirely from Europe. If immigration is due to differences in standards of living, why have we not had a heavy immigration from other countries whose standards are much lower than those of any European country, such as China and India? The answer is simple. In some of these low-standard countries the people are so poor and of such limited intelligence and knowledge that they are not fit to undertake emigration. In other countries like China, India, and Japan, the people are competent to emigrate and would be glad enough to do so — but we do not allow them to. Since immigration is a peaceful movement, which can take place only by the consent of the receiving country, every nation reserves the right to say who shall come in. The

Exclusion

Says America Must Be Kept American

"American institutions rest solely on good citizenship. They were created by people who had a background of self-government. New arrivals should be limited to our capacity to absorb them into the ranks of good citizenship. America must be kept American. For this purpose, it is necessary to continue a policy of restricted immigration. It would be well to make such immigration of a selective nature with some inspection at the source, and based either on a prior census or upon the record of naturalization. Either method would insure the admission of those with the largest capacity and best intention of becoming citizens.

"I am convinced that our present economic and social conditions warrant a limitation of those to be admitted. We should find additional safety in a law requiring the immediate registration of all aliens. Those who do not want to be partakers of the American spirit ought not to settle in America.

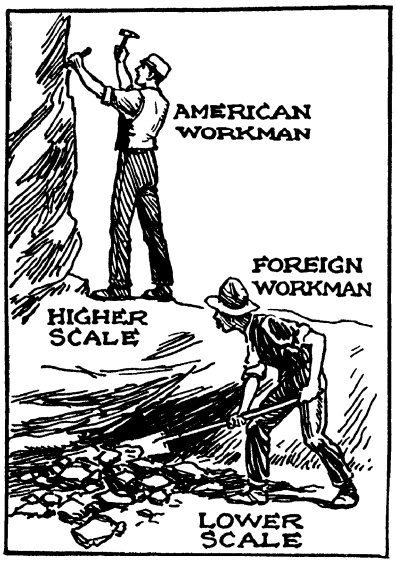
President Coolidge, in his opening address to the Sixty-eighth Congress of the United States, emphasized the necessity of preserving American standards.

United States and most other immigrant-receiving countries have definitely decided that they do not want immigrants from countries whose peoples are not of the white race and have put up effective barriers of one kind or another to keep them out. If we should open our door wide, we would soon be having a flood of millions of Asiatics a year. The reason for this policy of exclusion is two-fold. In the first place, nations are dubious about the results of race mixture when the races are far apart. In the second place, the exceedingly low standard of living of these peoples makes them very undesirable immigrants.

Effects on Standard

This brings us to the consideration of the effects of bringing people with a lower standard of living into a modern, industrial country. This is one of the most important aspects of the immigration problem and needs to be clearly understood. Immigrants come to this country to raise their standard of living. Most of them are of the wage-earning class, and the first thing they must do is to get a job. On account of differences in language and lack of knowledge of American ways, they may not be as valuable labor as the native Americans. But they are profitable labor if they can be secured at a low enough wage. From their point of view, a wage is satisfactory provided it enables them to make a measurable improvement in their standard of living. The greater the difference between their standard and the American, the lower may the wage be which will attract them. Thus there is introduced what has been called a "competition of standards of living." The result has been that the immigrant laborer can be secured for a wage far below that which will enable the American laborer to

maintain his customary standard. He must either accept a wage approximately as low as that of the immigrant or seek some other way of making a living. Some are able to do the latter and are actually led into better positions. But the better positions are few. Most American laborers must remain laborers and accept the wage which results from their loss of power through the introduction of this new factor into the wage struggle. This competition of standards is a much more important factor in the labor situation in this country than the numerical addition to the labor supply which comes from the introduction of a certain number of foreign workers, great though that is. Fortunately for American labor the effect of foreign immigration has never reached its climax in reducing the wages of native and foreigner to the same point. The wages of Americans still remain considerably above those of either foreign immigrants or their children. Thus the Immigration Commission found that in the mining and manufacturing industries of this country the average annual earnings of the native-born men whose fathers were also natives were $666; those of the native born of foreign father $566; and those of the foreign born, $455. Nevertheless there can be no doubt

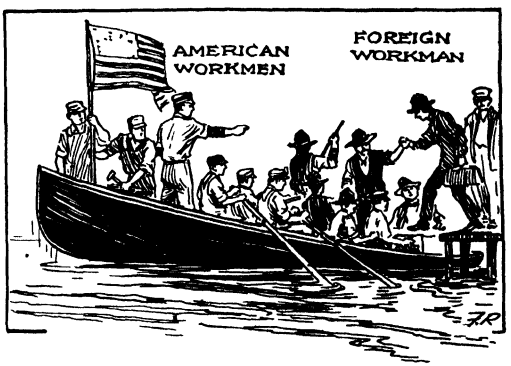


A low standard undermines a high one

that a constant stream of cheap foreign labor has been a powerful factor in keeping the standard of living of the American wage earner from rising and in the last generation, as we have seen, actually forcing it down.

What was just said about the numerical effect of immigration suggests another of the great problems connected with this great movement. This is the effect of immigration on the size of the population of the countries concerned. At first glance, this might seem obvious enough. It might seem that it was simply an arithmetical problem of addition in the receiving country and subtraction in the sending country. A review of the principles of population which we have studied shows that this is by no means so certain. In fact, the opinion of almost all scientific students is that in the case of countries which have passed the line of underpopulation the situation is very different. Consider first the case of the receiving country. The fact that the country is no longer underpopulated means that the antagonism between population and the standard of living has begun to operate. The people have already struck a balance between their

Effects on Population of Receiving Country



Though the American workman's standard (represented by the bow of the boat) is higher than the foreign worker's, it is only a matter of time before overloading will sink all.

desires for population and their desires for standard of living. They do not propose to sacrifice any element of their standard for the sake of a larger population. If this were not so, the population would increase of itself. For the forces of multiplication are always under repression and are always ready and able to provide as much of an increase as the sentiments and folkways of the people call for. Now what happens when additional population is forced on such a people by means of foreign immigration? Will they tamely accept the situation and submit to the inevitable lowering of their standard which they were not willing to accept for the sake of more people of their own kind? Not if they can help it. And they can help it by checking their own rate of increase. This may be done by any of the various means by which the rate of increase is reduced — by the postponement or abandonment of marriage on the part of a larger number of young people, by a decrease in the average size of families, or by an increase in the death rate. It has been conclusively proved that effects of this kind have been produced in various parts of this country in almost exact proportion to the amount of foreign immigration which each section has experienced. The general conclusion of scientific students is that the immigration of the past hundred years has increased the population of this country very little, if at all. Its result has been not more people but a different kind of people. It has substituted people of foreign stock for people of native stock.

A corresponding effect is observed in the country from which the immigrants come. This country has also struck a balance between its desires for population and for

standard of living. Will the fact that some of the population are arbitrarily removed lead them to alter this balance? Not at all. The forces of multiplication being released from restraint by just so much will quickly fill up the gap. The population is not reduced, and the standard is not raised. In fact, in some cases the sense of optimism and hopefulness which comes from the habitual expedient of emigration probably causes such an increase in the birth rate that the population becomes even greater than it would have been without any emigration. Many of the European countries which have had or have to-day the heaviest emigration, such as Germany and Italy, have had at the same time a very rapid increase in population.

Effects on Population of Sending Country

Of course if the emigration is exceedingly sudden and sweeping, the opposite result may take place, temporarily at least. The forces of multiplication take some time to operate, and a very rapid population movement may outstrip them. For example, the emigration from Greece during the first decade of this century was so rapid that it appeared likely to depopulate the country to a certain extent. The general law may be stated as follows: A steady, regular, moderate immigration movement between two countries which are not underpopulated does not materially affect the size of the population of either. Here we find the most effective answer to those well-meaning people who assert that we ought to open our doors to the Chinese or Japanese in order to relieve the overpopulation in those countries. We could draw off a million Chinese a year for fifty years, and at the end of that time there would be just as many people in

Principle of Immigration

China as if not one had emigrated. Before leaving the subject, it should be observed that in so far as the immigrants, by introducing in their own families a lower standard of living, lower the general standard of the whole society in the receiving country, there may be a corresponding increase in population.

Immigration Interests

This conclusion, amply supported though it is by abundant evidence and by scientific argument, is very hard to impress upon the public consciousness of the community at large. Most people still continue to discuss immigration as if its effect were to increase the size of the population and to shape their views on the subject according to whether or not they favor a larger population. The views of every individual on great public questions like this are inevitably colored by his personal interests. In the case of a phenomenon like immigration that vitally affects practically every one of our national interests, we, therefore, find very decided and divergent opinions. Immigration becomes one of the things which divide the American people up into interest groups. These groups are lined up primarily upon the question as to whether their interests lead them to favor much immigration, little immigration, or no immigration.

Employers vs *Labor*

This alignment is very largely affected by the prevailing *belief* that immigration increases the population and, therefore, represents differing opinions as to the desirability of a larger population. However mistaken this idea may be, there can be little doubt that immigration increases the proportion of the population which belongs to the laboring class. As a general rule, therefore, we find those persons favoring

immigration whose interests are furthered by a large laboring class, and those persons opposing immigration whose interests are prejudiced by a large laboring class. Concretely, this means that the large, employing interests are lined up in favor of large immigration, while the wage-earning interests are in favor of drastic restriction. In addition there are a few individuals who, having no immediate interests on either side, are able to look upon the question from the point of view of the interests of the nation as a whole. As a result of this composite of common, conflicting, and divergent interests (which is not nearly so simple as the foregoing statement), there has grown up our national system of regulating immigration.

Principles of Control:

There are three chief principles which may govern a nation in its handling of the immigration problem. First there is the principle of free immigration, which means that there are no barriers and any one can come in who wants to. This is the principle followed by our Federal Government for the first one hundred years of our national life. Next there is the other extreme, the principle of exclusion, which allows no one to come in. This was expressed by Thomas Jefferson in the wish that there were an ocean of fire between this country and Europe so that it would be impossible for any more immigrants to come here. This principle has never been put into effect. Between the two is the principle of regulation, which means that the state allows some immigrants to come in but decides and controls who they may be.

For the first forty years of our national life the principle of free immigration harmonized well enough with the inter-

ests of most of the American people so that there was no appreciable demand for any regulation. But about 1830 a different sentiment began to be expressed. This was due to the great numbers of paupers, criminals, and vicious and diseased persons who were included in the immigration stream of the time. Sometimes the passengers of arriving vessels were in such wretched condition that they were loaded into carts at the docks and hauled directly off to the almshouses, some of them dying on the way. The penal and charitable institutions of the country, particularly in the Atlantic seaboard cities, were becoming flooded and clogged with foreign inmates. The burden of their support was becoming very great. By 1850 half of all the paupers in the United States were foreign born. Since the Constitution puts immigration under the control of the Federal Government, this agency alone could deal with the situation. So a very vigorous demand was made upon Congress to pass a law protecting the country from these low types of immigrants. But it was fifty years before Congress finally acted — which shows how wide is the gap between public opinion and legislation in even the most democratic countries.

Free Immigration

Finally in 1882 Congress passed the first general immigration law. The principle embodied in this law was what has since come to be known as the principle of *selection*, which is a form of regulation which aims to sift out immigrants on the basis of their quality, paying no attention to the number of persons of good quality who are admitted. It was natural that Congress took this position, since the demand which it was attempting to meet was a demand based on the poor

Beginnings of Law: *Selection*

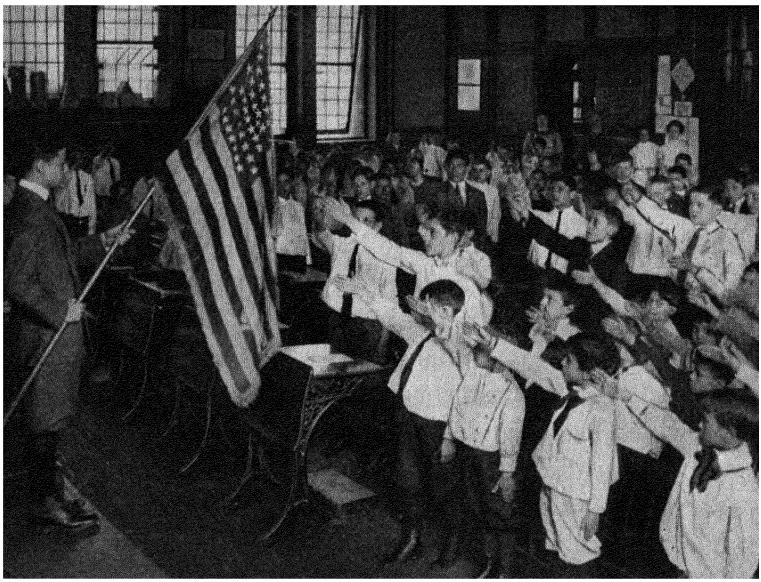
quality of some immigrants. Having adopted this principle, Congress adhered to it for the next thirty-five years, and the elaborate immigration law which was built up during that period represented essentially an effort to protect the country adequately from immigrants of poor quality — what we commonly refer to as "undesirables." One type of human frailty after another was added to the list until the section in the present law which enumerates the excluded classes is probably the finest catalogue of undesirable human qualities to be found anywhere in the English language.

A New Argument

In the meantime a new sort of objection to unregulated immigration was beginning to be widely felt and expressed. This was based upon the dangers which threatened the country from *too many* immigrants even of good quality. It represented a realization of the injurious effects of the economic competition which has been discussed. It was naturally strengthened by the shift of the sources of immigration from northwestern to southeastern Europe, with the consequent introduction of lower standards of living. It demanded some quantitative regulation or *restriction* in addition to the qualitative regulation or *selection* which the law already afforded. This sentiment grew steadily and rapidly during the closing years of the last century and the first years of this. But it was not until 1917 that it produced any effect in legislation. This effect took the form of the addition of a literacy test to the immigration law. The literacy test is nominally a selective test and puts the finishing touch on the tests of that kind. But in its application it would affect so large a proportion of an ordinary immigration

stream — perhaps 25 per cent — that it would produce some real restriction and so partially meet the demands of those who were clamoring for a limitation of numbers.

During all these years the American people as a whole was assuming more or less tacitly and complacently that our



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The salute to the flag is just a symbol of Americanization.

immigrants were being satisfactorily assimilated, that is, were being incorporated into the American people, adopting their ideas and folkways, being molded into the American type, and learning to play their part in the varied activities of the American nation in much the same way as the natives. Evidence was accumulating to prove this assumption false, but the majority of the people paid very little attention to it. The

A Change in Sentiment

figure of the "melting pot" expressed satisfactorily to most people what was supposed to be going on. Then came the Great War, which threw such a bright light upon many social problems, immigration among them. In that clear view it became evident to the most indifferent citizen that our foreign population, far from being assimilated, was living largely in isolated communities, out of touch with American influences, and keeping up its old-world customs and folkways as completely as possible. It became obvious that we were by no means the unified nation that we had supposed ourselves to be. The immediate result was the Americanization Movement, which is an effort to hasten by arbitrary and deliberate methods the assimilation which is not taking place spontaneously through natural means.

Demand for National Unity

In the years immediately following the war this new fear of the foreigner found its extreme expression in the widespread "Alien Red Radical" hysteria, which led to some unfortunate excesses in the name of justice. Back of it all, however, was a new idea of the importance of national unity to the welfare of the American people. This is one of the most hopeful signs of the times. In the light of this new conception immigration is coming to be looked upon not merely with respect to its influence upon narrow class interests but with respect to its bearing upon the deeper interests of general national welfare. More and more people are coming to realize that immediate economic profits won at the expense of national unity and solidarity are too dearly bought. One of the direct effects of this new public attitude was the passage of a really restrictive law, limiting the immigration of the people of any nationality to three per cent of the

members of that nationality already resident in the United States. This was only a temporary measure, passed to meet an emergency situation, but at present writing it appears wholly likely that a permanent law along similar lines will be put upon our statute books.

Restriction

The day of unrestricted immigration to the United States is probably over. It has been a remarkable experiment. No other nation has ever tried to blend such immense numbers of so many different nationalities and races into a composite whole under democratic conditions. No other nation on earth could possibly have succeeded as well as we have. Our experiment will be of profound interest to social scientists for all time to come. But the task has proved too great. The factors of race, nationality, culture, standard of living, and folkways are too strong

ECONOMIC STUDY OF IMMIGRATION BEGUN

National Research Bureau Seeks to Ascertain Relation to Labor Supply.

DR. JEROME HEADS INQUIRY

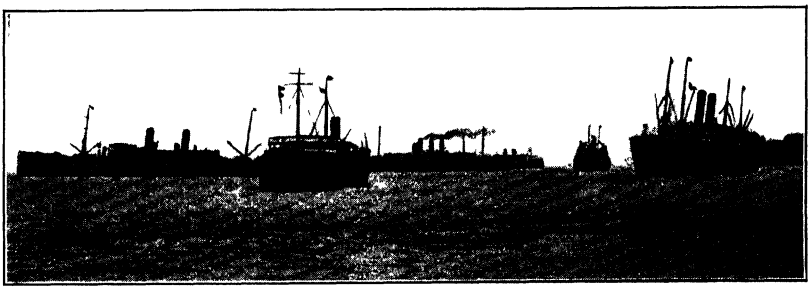
Investigation Is Expected to Throw Light on Causes and Effects of Mass Movements.

An investigation of migration and labor supply has been begun by the National Bureau of Economic Research at the request of the National Research Council. The work will be done by Dr. Harry Jerome under the supervision of the Bureau's Director of Research, Dr. Wesley C. Mitchell. Outlining the bureau's purpose in undertaking this study, Dr. Mitchell stated:

"Since the National Bureau of Economic Research aims to aid all thoughtful men, however divergent their views of public policy, to base their discussions on objective knowledge as distinguished from subjective opinion ... keenly interested in the scientific investigations into human ... curated by the N...

The United States is making great efforts to handle the immigration problem in a strictly scientific way.

to be dealt with in any such wholesale manner. A strong, vigorous, progressive nation may undertake to assimilate small numbers of persons from other lands, provided their race and nationality is not too widely different. But the numbers must be very strictly limited. And the farther the nation gets away from the state of underpopulation, the less competent is it to deal with a problem of this kind. The change in sentiment in the United States is



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Ships laden with immigrants trying to land their passengers before the quota is filled.

largely due to our passage into the first stages of overpopulation. The other immigrant-receiving nations are traveling over much the same pathway that we trod a generation or two ago. As they reach the dividing line between underpopulation and overpopulation, they too will abandon their so-called "liberal" policies and begin to limit the numbers of immigrants whom they will admit. In time all the national doors will be closed except for a narrow crack, and the era of peaceful, permitted population movements will be over. In anticipation of this time the emigrant-sending nations may well be considering other means of solving population problems.

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QUESTIONS

1. What is the basic motive which leads to population movements?
2. How did the earliest population movements differ from the modern?
3. Distinguish the four chief types of true migrations.
4. Describe the conditions which made the modern immigration movement possible.
5. Describe and explain the changes in the immigration stream to the United States which began to take place about 1880.
6 From what continent do most of the immigrants to the United States come? Why?
7 Name the three chief principles of immigration control. Which of these did the United States follow for the first hundred years of its national life?
8. When, and in what way, did the United States adopt a new immigration principle? Why was this done?
9. What was the effect of the Great War on the regulation of immigration in the United States? Describe how this effect was produced.
10 What has been the general effect of immigration on the standard of living of the laboring class in the United States? Explain.
11. Explain the effect of immigration upon the size of the population of the sending and receiving countries, under differing conditions.
12. Explain the effect of immigration in dividing the population of the United States into different interest groups.
13. What are the chief immigrant groups located in your community?

TOPICS FOR FURTHER STUDY

The causes of modern immigration in typical cases. (Balch, Emily G., *Our Slavic Fellow Citizens*, pages 48–56, 237–244. Fairchild, H. P., *Greek Immigration to the United States*, Chapter IV.)

The protection of the immigrant against exploitation. (Abbott, Grace, *The Immigrant and the Community*, Chapter IV.)

Life in the steerage. (Steiner, Edward A., *On the Trail of the Immigrant*, Chapter III.)

CHAPTER XXIII

The State: the Law and Crime

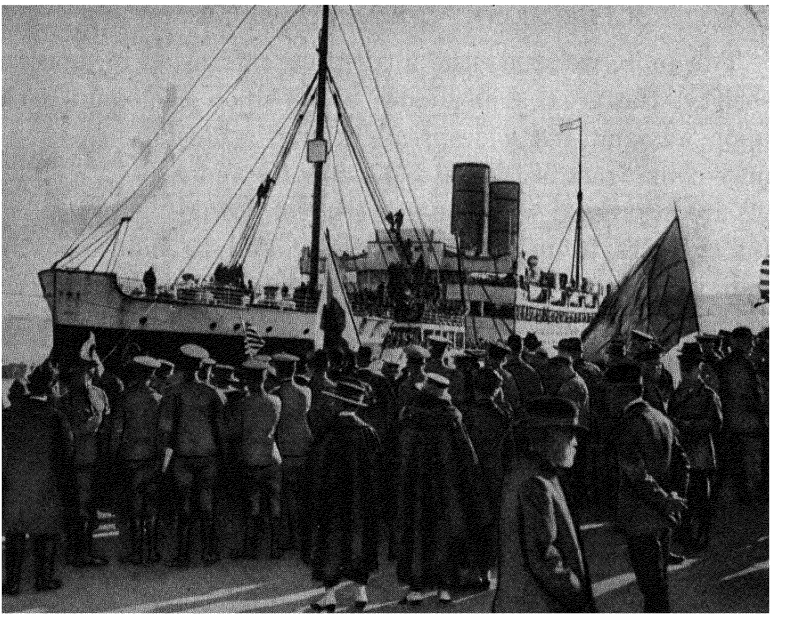
The more we study the intricate organization of modern society, the great dependence of all upon each and each upon all, and the widespread injuries which may come from abnormal behavior, the more we are impressed with the necessity of powerful agencies to promote conformity and to induce every individual to do as nearly as possible his expected part in keeping the whole machine going. These are what we call the agencies of social control. They produce their results by influencing the action of social forces — that is, the feelings, desires, and motives of human beings which lead to willed acts. We have seen that the most important of these agencies are public sentiment and public opinion, the family, the church, and the state. Public sentiment and opinion depend for their effect upon the motive of vanity. The family and the church depend upon the motives of love and reverence, with a slight admixture of fear. The state depends upon the motives of patriotism and fear and, when these fail, upon the expedient of force.

Agencies of Control

The state is the only one of these agencies which is authorized by society to use physical force in order to secure conformity, except that in the case of minor children the family is authorized to use force within certain definite limits. Stripped of all secondary features, the state appears as the agency created

Police Power and War Power

by society for the application of force to its members. As we have seen, the state grew out of the family, and as the state has increased in power and dignity, more and more of the authority of the family has been transferred to the state.



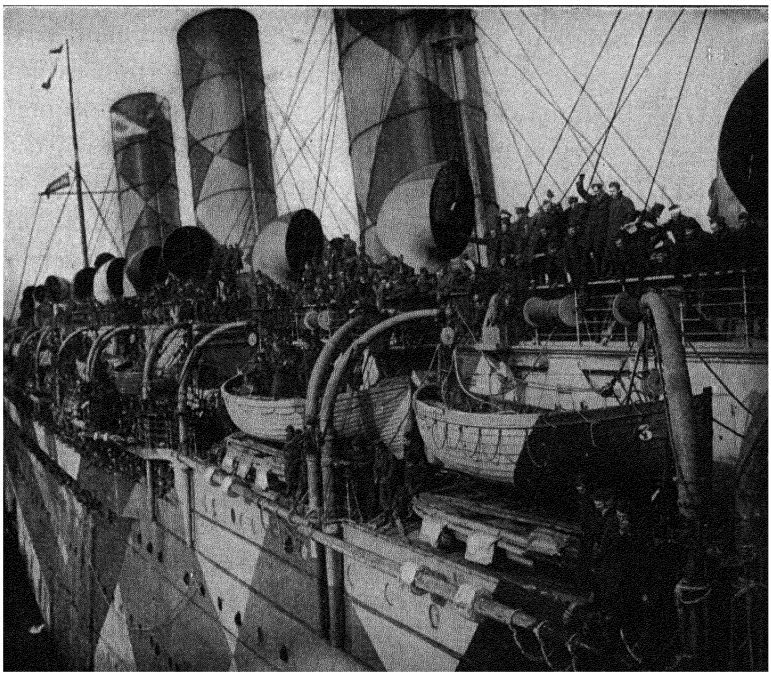
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Only the state can exercise authority in war.

In addition to its authority to exercise force against the members of its own community, the state is also granted authority to carry on forcible activities against other communities or states — that is, to wage war. The two fundamental powers of the state are the power to enforce order within the community and to mobilize the community for defense and attack in its relations with outsiders. These

are usually spoken of as the police power and the war power.

In order to carry on its work the state must have funds and must be able to compel the members of the community



The state has authority to mobilize its people to wage war against foreign powers.

to contribute these funds according to whatever plan it sees fit to prescribe. This power is called the power of taxation. Various other powers have been added to these fundamental ones as the institution of the state has developed — the power to own land, to carry on economic processes, and to engage in a

Taxation. Other Powers

wide variety of activities, the purpose of which is not internal order or security in the strict sense, but the positive development and constructive expansion of the welfare of the people.

So far we have spoken of the state as if it were some vague but powerful being of an almost superhuman sort.

State Personalities

The state itself is, in fact, to a certain extent immaterial, consisting of ideas, traditions, sympathies, and sentiments on the part of the people. But the state is always *represented*, and its powers directly exercised, by certain concrete human beings. It makes a great deal of difference in the character of a society and in the well-being of its members who these human beings that represent the state are and how they come to embody these great powers. The state never is a single human being, as Louis XIV said, but a single individual may often concentrate a considerable part of the power of the state in his person.

Since the state is essentially a matter of power, it has naturally followed that those individuals or classes in a

Location of Power

society which have actually possessed exceptional power have been able to get themselves recognized as the agents or representatives of the state and endowed with its special powers. In different societies and at different times, various forms of power have been used as the means of getting state authority. In the beginning, and for a long time after in many communities, the person who had power as the head of the family was recognized as the head of the state. In other cases it has been the man who had special power as a fighter, or special power over the unseen spirits, who was able to

assume the authority of the state. Here, as in every other department of social life, custom, tradition, and the folkways played their parts. In a certain stage of social evolution all over the world the idea has grown up that certain families, for reasons which no one stops to question, are endowed by "divine right" with the authority to represent the state. The longer such a family can succeed in actually maintaining its power, the more unthinkingly will its right to power be granted by the common people, and the more subservient will they become to the will of these favored individuals. These are what we call the "aristocratic" or "royal" families of the world. If the history of these families could be traced back far enough, it would be found that in every case, in the beginning, the right to embody the power of the state grew out of some other power which they already possessed or else was arbi-

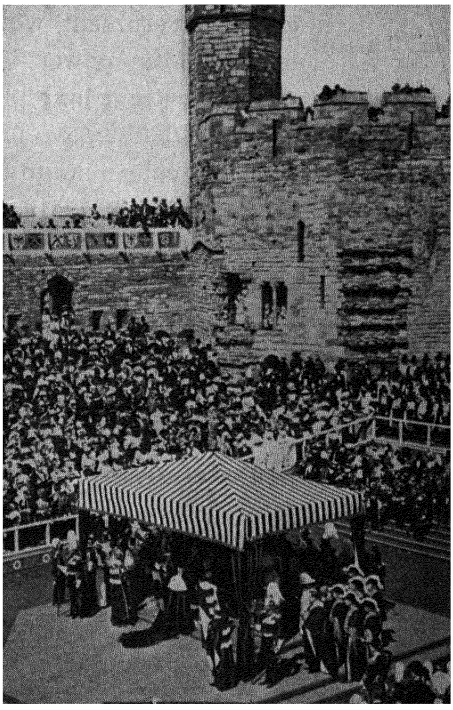


Photo by Underwood and Underwood

Coronation of King George as Emperor of India.

trarily granted to them by some one who was conceded to have the power to do so.

Social Consent

It has been said that government draws its just powers from the consent of the governed. In point of fact, in every government which actually exists and exercises the power of the state, no matter how tyrannical or despotic it may be, there is some element of consent on the part of the governed. Every government is a product of social evolution and to a certain extent owes its form and existence to the ideas, customs, and standards of the society that it represents. Every society is, in the last analysis, responsible for the government to which it submits, and no government could survive if the society of which it is, after all, only an agency should completely withdraw its consent. This does not mean, by any means, that the specific acts of the state are not frequently contrary to the wishes or desires of the great majority of the people. Tyrannical states have been able to exist only because the mass of the common people have been too dull, or inert, or lacking in initiative, energy, and purpose to insist on some other kind. Their toleration of such forms of state has been both the form and the evidence of their consent.

Democratic Movement:

As the common people in various societies have grown more intelligent, alert, and ambitious, the will to tolerate despotic forms of the state has gradually disappeared. Larger and larger sections of the whole population have demanded that a part, at least, of the powers of the state should be embodied in themselves. This is what is called the *democratic movement.* The amount of democracy in any state depends upon the

extent to which the total power of the state — what is called *sovereignty* — is distributed equally among all the individual members of the society. The persons who actually embody the ultimate authority of the state and have

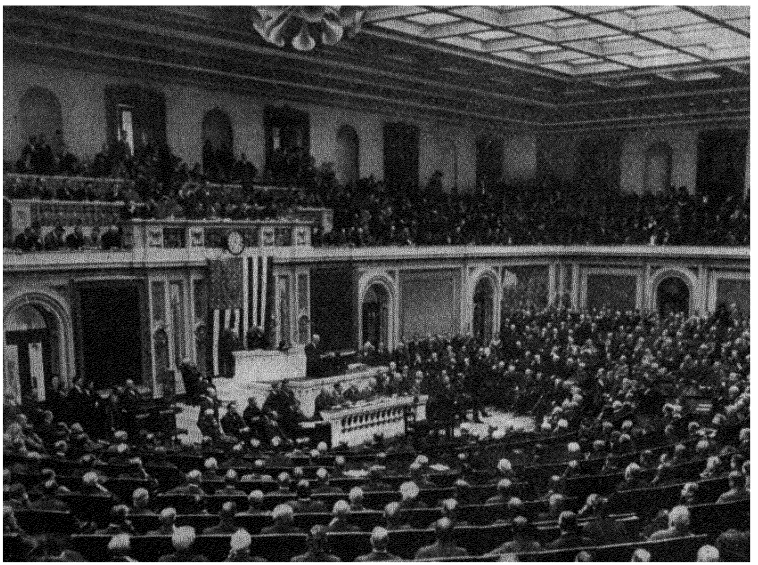


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Ballots being deposited in a recent election.

the legal power to change the actual form of the state if they so desire constitute the *legal sovereign.* Those who have the right to vote on specific matters are called the *electorate.* In a complete democracy the legal sovereign and the electorate are the same. The growth of democratic forms of government has proceeded with varying degrees of smoothness in different countries. Sometimes the pro-

gression from despotism to democracy has been gradual and steady and has not involved any great upheavals. Perhaps England furnishes as good an example as any of this type of development. The process by which England, while still retaining the monarchical form of government, has



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President Harding addresses special session of Sixty-seventh Congress.

become one of the most democratic countries in the world, has not been marked by any violent transitions. In other cases a sudden upheaval, or "revolution," has been the method. Russia to-day is illustrating the tragic efforts of people seeking to find their way from an extreme and antiquated despotism to a genuine democracy.

The form which a democratic government takes varies with the type of society which it serves. In a small society

where the whole electorate can come together for deliberation a direct or primary form of democracy is possible. When the governmental unit becomes so large that it is physically impossible to get the whole electorate together, the representative system has to be adopted.

Representative Government

We citizens of the United States are very fortunate in living in a country which has been democratic in its form of government from the beginning of its independent national life, though a revolution was necessary to secure that independence. Yet even in this country, full democracy was not achieved from the beginning. Those who framed our governmental mechanism were still influenced by the traditional distrust of the common people. The laboring man did not acquire the right to vote until long afterward, as, for instance, in Massachusetts in 1820 and in New York in 1822. In fact, it was not until 1920 that one great step was taken along the pathway of democracy by the enfranchisement of women through the Nineteenth Amendment to the Constitution.

American Democracy



President Calvin Coolidge. The President is the foremost individual representative of the power of the people in the American democracy.

Dangers to Democracy

Even when the form of democracy is fully achieved, there is still the ever-present danger that the actual distribution of political power will not remain as it is supposed to be. A democratic state is one of the most perfect of all examples of an adjustment of common and conflicting interests. Individuals and classes are always being tempted to promote their own interests by appropriating more than their due share of power, hoping that the general balance will not be upset enough to do them personally as much harm as the gain they hope to secure. It is a false sense of security which leads the citizen to feel that because the forms of democracy are preserved the reality of democracy must necessarily be there. A democratic society must be ever on the alert to detect and check any unfair usurpation of power by any individual or class. Otherwise it may realize too late that the whole edifice has been eaten away within, like the beautiful statue found in an old Egyptian tomb, which looked fair and sound on the outside but crumbled to a little heap of dust at the first breath of outside air.

Law

One of the first duties of every state is to draw up a set of rules which shall indicate to the people what sort of conduct the state expects of them and what sort of conduct will cause the force of the state to be applied to them. This set of rules is what we call the *law*. In the early states, before the invention of writing, law was verbal. It was handed down from generation to generation by word of mouth and became a part of the traditions of each society. In all modern states the law is written, and nothing is law which is not written (that is, printed), although certain standards and rights are some-

times spoken of as *unwritten law*. A violation of any law of the state, of any sort, is a *crime*.

Basic Law and Basic Crime

The earliest law consisted almost entirely of prohibitions. The Ten Commandments are an excellent example of early (though by no means the earliest) law in a theocratic state, that is, a state in which the power was vested in those who represented the Divine Being. The acts first selected to be prohibited in the growth of law were those which involved the greatest injury to society, either because they were themselves very serious or because they were very frequently committed. These acts practically always involved the infringement of the rights of some individual. As soon as the state passed a law against such acts, the rights ceased to be simply moral rights and became legal rights, and the commission of any of these acts became a crime. The two basic crimes in all societies are violations of property rights and of the right to life — that is, *theft* and *murder*.

The function of a state whereby it makes laws is called the law-making, or *legislative, function*.

Legislative Function

The nature of criminal law is that it determines in advance what acts shall be considered crimes. It is therefore necessary to define each criminal act with the greatest of care and precision so that there may be no doubt as to whether a person accused of a crime has actually done the thing that the law prohibits. A complete criminal code accordingly consists of a long series of descriptions of various acts, each one with its name or number — murder, burglary, highway robbery, arson, assault, Penal Code No. 1142, etc. The act so described constitutes the crime. In order

Criminal Code

to convict a person of a given crime it must be shown that his conduct corresponded exactly to the description in the law. This is often a difficult thing to do. It becomes necessary to have the state decide in each given case whether a crime has actually been committed and if so what crime.

Judicial Function

The function of the state whereby the law is interpreted and applied to specific cases is called the *judicial* function, which is represented by the courts.

Executive Function

The final primary function of the state consists in putting its decisions and judgments into effect, that is, applying the force which it is created to exert. This is called the *executive* function.

Separation of Functions

In the early forms of the state these three functions — legislative, judicial, and executive — were not clearly defined and were likely to be combined in a single individual or small group. The modern idea of government is that justice, judgment, and efficiency can be secured only when these functions are separated from each other and entrusted to different persons or groups of persons. Every modern government, accordingly, has its legislative, judicial, and executive departments, each with its own machinery.

Limits of Law

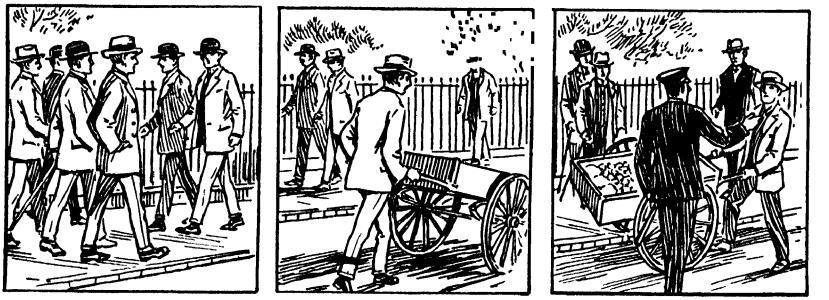
The growth of the criminal law is a very interesting piece of social history, and the extension of criminal law is a very important problem of modern social engineering. As we have seen, the state exists primarily to supply control only when the other agencies prove inadequate. Control by fear and force is both more expensive and more irritating than control by vanity, love,

reverence, and patriotism. As a rule, the individual members of the community resent the inclusion of each new act into the category of crime. One reason for this is that a just law once passed must apply to all members of society alike. But the law, being rigid and inflexible, often imposes a degree of restraint which is unnecessary in the case of the great majority of individuals. The law in its coercive aspects exists only because of the frailties, undue selfishness, or perverted ideas of a small minority of the population. It is natural for all of us to think of the law as a great restraining force. Yet it is a fact that most of the acts which the law is designed to check, most of us would not commit even if there were no law. If left to ourselves the forces of public sentiment would be sufficient to secure the necessary amount of conformity from us. Every law therefore involves an infringement upon personal liberty, at least potentially. There is, accordingly, a well-defined principle which should guide a state in deciding whether and when to take a given act out from the general moral code and make it a crime. It is a question of balance between the social injury which comes from the lack of state control and the loss of personal liberty which results from state control. As long as the injury to society that comes from leaving the act to the control of public opinion



Every law involves a restriction of liberty.

does not outweigh the loss to society from the encroachment on personal liberty and individual responsibility, it is better not to make the act a crime. But as soon as the balance of injury swings to the other side, it is time to pass a law and incur the expense and harsh methods which are necessary to curb the wrongdoers by fear and force. As has been already stated, the inherent badness of the act has nothing to do with the question. It may be a very trivial act, dangerous because so frequently committed



A man has a right to walk on the sidewalk, if he has a license, he may push a peddler's cart, but he has no right or license to push a cart on the sidewalk to annoy pedestrians.

(such as spitting on the sidewalk), as well as a very serious act. The aim of the law is security, order, and the preservation of rights, not the promotion of goodness or morality.

Punishment: *Retaliation*

Since the state depends upon fear and force, its prohibitions must always be accompanied by some penalty for violation. From time immemorial the idea of punishment has been inseparable from the idea of criminal law. From the beginning of human existence, apparently, there has been an almost universal idea that in the punishment of a criminal there

should be some proportion between the amount of suffering he is made to undergo and the amount of harm he has done. This harmonizes with our primitive sense of justice. One of the earliest expressions of this idea is found in the widespread institution of *retaliation*, or the *talic law*. This is concisely expressed in the saying, "An eye for an eye, a tooth for a tooth." It involved inflicting upon the guilty person exactly the same injury which he had inflicted on his victim. In an early stage of society, when the state was not clearly defined and the legal code was not sharply separated from the moral code, it was customary for society to allow the injured party or his relatives to impose the penalty themselves. Society furnished the rules and the sanction, but the individual put them into effect. Thus if a murder was committed, the nearest of kin to the dead person not only had the right but was under the social obligation to pursue the guilty person and put him to death. The young Albanian who killed Essad Pasha, mentioned on an earlier page, was obeying such a custom. This idea took strange forms in some of its extreme developments. "Under Mosaic law, if an ox gored a man, the man was empowered to take vengeance on the ox. In intellectual Athens, if the storm blew down the limb of a tree and any one was killed, his kinsmen solemnly exercised their legal right to chop



Private revenge *vs.* legal punishment.

down the tree."[1] In such customs there is probably a remnant of the primitive notion of agency of which we have spoken. This was obviously a very crude form of justice, but as long as it was done under social control and sanction it was a form of order and was much better than nothing. Its chief drawback was that in its original phases it formed a sort of endless chain. Each new death or injury meant a new act of vengeance to be carried out. Its natural outcome was the development of permanent blood feuds between different families which have been common in many parts of the world and still persist in the southern mountains of this country.



Certain places in olden times were held as "sanctuary."

Transition

As the state grew in definiteness and authority, it gradually took over the right and the responsibility of inflicting retaliative punishments. Not only were individuals no longer required to avenge their private wrongs; they were not permitted to do so. An interesting illustration of the transition between these two folkways is found in the institution of the "cities of refuge" described in the Old Testament. In case of a murder the relative of the victim was under the obligation to pursue and slay the murderer if he could. But certain cities were set apart, and it was provided that if the murderer could

[1] Editorial, New York *Times*, Nov. 26, 1921

reach one of these cities before he was overtaken he was safe, for the time being. The duty and right of the avenger ceased at the city gate, and the state took control of the case. In the end the right of vengeance in all highly civilized societies has been completely taken away from private individuals and committed to the state. But for a long time thereafter the principle of vengeance remained the chief basis for determining punishment.

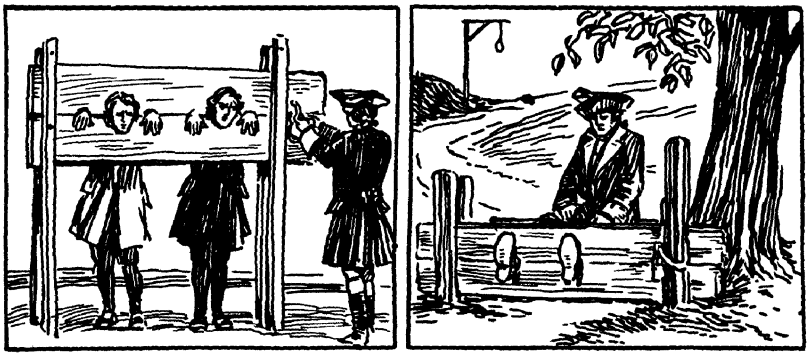
Compensation

As the social organization developed, it became clear that the retaliatory system of punishment was far from satisfactory. It involved great social waste. If somebody burns down my barn and then I burn down his barn, the loss of productive power to society is doubled. If some one cuts off my right hand and I cut off his, there are two crippled persons instead of one who may have to be supported by society. There is no good accomplished by this sort of procedure except the mere satisfaction of the primitive feeling of vengeance. So there gradually grew up the system of paying a monetary compensation instead of inflicting the actual injury. In time these payments were definitely regulated by the state for each specific injury, — so much for a life, so much for a right arm, so much for a left eye — very like our modern workmen's compensation laws. The state undertook the responsibility of collecting these payments and in return for its services charged a certain proportion as fee. Naturally there was a strong temptation for the state to increase this proportion. As time went on the state took more and more until in the end it took it all, and the injured party got nothing. This is the origin of our system of fines.

Out of such customs and ideas as this there grew the

almost universal notion that in every formal legal code there should be a definite and fixed penalty attached to each crime. This system probably originated out of the desire to make a just balance between the suffering undergone and the injury done. A further reason for this is furnished by the ancient notion that a knowledge of the punishment in store for the wrongdoer would prevent people from committing crimes.

Fixed Penalties: *Deterrence*



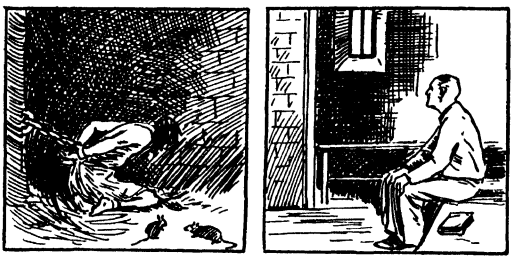
Mild methods of deterrence practiced in colonial times.

This idea of *deterrence* has become a very prominent part of the theory of punishment in all modern states. It is an expression of the state's intention to control by fear. It is obvious that to frighten people from committing crimes by the prospect of punishment is much better than to restrain them by force or to make them suffer after the harm has been done. The principle of deterrence is thoroughly commendable. The great question — as societies are gradually learning after ages of experience — is how to put it into practice.

It might seem to be an axiom that the more severe the punishment, the greater would be the amount of deterrence

secured. Societies have in fact acted on this assumption for countless thousands of years. If a given legal code was not effective in preventing crime the severity of the penalties was increased. Obviously, the logical outcome of this process is to attach the death penalty to all crimes. If actual deterrence could be secured in this way, there could be no objection to the system. For if deterrence is complete, no crimes are committed, and nobody has to suffer the penalty. In England this principle was carried out to its extreme application. Practically every known crime, even of the most trivial character amounting to only a few cents of loss, was punishable by death.

Failure of Deterrence



Do harsh penalties deter more than mild ones?

In the reign of Henry VIII, who was a great believer in the deterrence theory, no less than 72,000 persons are said to have been hanged. It was less than one hundred years ago that the death penalty in England was removed from about two hundred crimes. Seeing that capital punishment did not stop crime, many societies decided that simple death was not enough, and almost incredible forms of torture and painful death were devised. While held for torture, the victims were confined in foul dungeons. This is the origin of the system of imprisonment, which we now use as one of the chief forms of punishment but which originally was not considered a part of the punishment at all. One

of the most difficult lessons that societies have ever had to learn is that complete deterrence can never be secured through the fear of punishment, however severe, and that there is no relation between the severity of punishment and the amount of deterrence. Severe punishments publicly



Modern methods of treating criminals aim at constructive results. These prisoners in Sing Sing are learning how to knit.

inflicted often produce an epidemic of the particular sort of crime they are supposed to check. There can be little doubt that the prospect of punishment exercises some deterrent influence, but we do not yet know how much nor by what forms of punishment the maximum deterrence can be secured. It is probable that for most first offenders the fear of being convicted and branded a criminal is as much of a deterrent as anything could be. It is beyond doubt that speed and certainty of conviction are a much more effective

way of securing deterrence than increasing the severity of the punishment. For unfortunately only a fraction of all criminals are ever actually caught and convicted.

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JENKS, JEREMIAH W., and SMITH, RUFUS D., *We and Our Government*

DEALEY, JAMES Q., *The Development of the State*

PARMELEE, MAURICE, *The Principles of Anthropology and Sociology in their Relations to Criminal Procedure*

DEVON, JAMES, *The Criminal and the Community.*

QUESTIONS

1. For what basic reasons does the state exist?
2. Define "sovereignty" and "electorate"
3. What is law? What are some of the differences between early and modern law?
4. Describe the three basic functions of the state.
5. Why is law necessary? What bearing has the law on the conduct of most individuals?
6. Trace the history of punishment and its changing theories.
7. Discuss "deterrence" as a theory of punishment.
8. What is the essence of the "democratic movement"?
9. Why do not the form of democracy and the substance of democracy always go together?
10. Explain the relation between legislation and personal liberty.
11. Name the individuals in your community who personify the power of the state. How did each of them acquire this power?
12. What kinds of conduct are forbidden by law in your community which would not be considered wrong except for the law?

TOPICS FOR FURTHER STUDY

The organization of the National Government of the United States. (Jenks, J. W., and Smith, R. D., *We and Our Government*, Chapter X.)

The development of political government. (Dealey, James Q., *The State and Government*, Chapter III.)

The individualization of punishment (Parmelee, Maurice, *The Principles of Anthropology and Sociology in Their Relations to Criminal Procedure*, Chapter IV.)

CHAPTER XXIV

The State: the Penal Code and the Criminal

It must be confessed that the history of society's attempts to deal with crime is not very flattering. Crime seems to be on the increase rather than the decrease in even the most progressive societies. This, of course, is partly to be accounted for by the continuous increase in the number of acts which are designated as crimes. But even the basic crimes, such as murder and theft, show no sign of diminution either absolutely or in proportion to the size of the population. The reason for this failure is found in the fact that society has never until very recently had a real social science to guide it. It has blundered along as best it could on the basis of trial and error, tradition, and superstition. All too often, also, the government has been selfish and bigoted, seeking its own interests rather than even justice. The really scientific study of crime began only about one hundred and fifty years ago. One of the earliest statements of a systematic doctrine of crime is found in the teachings of a small group of thinkers who wrote at about the end of the eighteenth century and the beginning of the nineteenth, and who have come to be known as the *classical school* of criminologists. Their teachings reflected the ideas of personal liberty and equality which were current at the time and were a revolt against the partisan, irregular, and arbitrary administration of the law which was all too

Classical School

common then. In accordance with these ideas of personal responsibility and individual liberty and equality the classical school taught that all men are equally accountable for their acts and should accordingly be treated alike. This led them to support fully the doctrine of fixed and uniform penalties for all crimes. To treat two persons differently who had committed the same act seemed to them sheer injustice. Consequently they turned their attention to the crime. They conceived their task to be to define and describe as exactly as possible different crimes and to indicate the penalty which should be attached to each.



The classical school taught that all men should be treated alike.


Children can not be held criminally responsible as can older people.

Effects

The teachings of the classical school had a profound effect upon public ideas about crime and upon criminal procedure throughout the nineteenth century. In fact, we are still largely under their influence, though we have made some modifications. We no longer assume full criminal responsibility for little children, idiots, and insane and mentally defective persons. But we do hold the ordinary adult criminal wholly accountable for his acts on the

assumption that they were the result of the exercise of his own free will. We still cling to the system of fixed penalties — what has been called the "Magna Carta" of criminals — determined in advance by the legislative body which passes the law. Often the judge is allowed some latitude in the amount of fine or the length of imprisonment, with a final element of variety indicated by the words "or both." We still feel that the nature and degree of the punishment is to be determined by the nature of the crime, not by the nature of the criminal.

Positive School

About the middle of the nineteenth century a new idea was introduced into criminological thinking, primarily by an Italian named Lombroso. Around him there soon gathered a group of thinkers who agreed with his general doctrines and came to be known as the *positive school.* The basic idea of this school is that the way to learn about crime is to study the criminal, not the crime. This was a thoroughly scientific doctrine. The only way to understand any phenomenon is to get at the causes and forces back of it. The forces back of crime, just as of every other social phenomenon, are the feelings and desires, resulting in willed acts, of human beings. The crime is purely a result, valuable as a symptom or piece of evidence, but wholly inadequate to show the real nature of the problem with which society has to deal. As a result of their study of criminals the members of the positive school arrived at a rather remarkable conclusion, that criminals as a class constitute a distinct variety of the human species. This means that the traits of the criminal which lead him into illegal conduct are biologically inherited from his parents and biologically

transmitted to his children just as the straight black hair and slanting eyes of the Chinaman or the blue eyes and fair skin of the Scandinavian are passed on from generation to generation by physical heredity. These criminal tendencies are invariably associated with, and indicated by, certain external physical traits, or *stigmata*, which are as characteristic of the criminal type as different kinds of hair and skin and eyes are characteristic of the different races of men. Some of the more important of these traits are a receding forehead, a projecting jaw, irregularity and lack of symmetry in various features of the head and face, missing lobes of the ear, high cheek bones, etc. Most of these traits were considered to be *atavistic* in character, that is, to represent features which were common among all men in an earlier stage of evolution. Naturally there are also intellectual and temperamental features of a corresponding sort. All of these traits occasionally occur in law-abiding persons, but they occur much more frequently and in much more numerous combinations in the criminal type as described by the positive school. Since the traits which lead to crime are inherited from one's parents, the criminal is in no sense responsible for his criminal character. He is a criminal because he is born to be one and can not help it. There is therefore no possibility of really reforming such a criminal. On the other hand, no one who is not born into this class is in the slightest danger of becoming a criminal.



Supposed criminal types

This group of ideas had a deep influence upon the thought of western nations for several decades. From the first, however, they did not seem to many people to be in accordance with personal experience, observation, or common sense. Little by little the doubt began to grow as to whether they were really a correct statement of the case. The only way to find out was by long and careful study. A large number of persons in various countries have given time and thought to the subject, with the result that to-day the idea of the criminal class as a distinct biological type is quite generally discarded. Several faults were found in the methods followed by the positive school. In the first place, they based their conclusions almost entirely upon the study of prisoners and those who had suffered the death penalty. But prisoners are not necessarily representative of all criminals. As we have seen, only a fraction of actual criminals are ever caught. Only a part of those caught are convicted. Only a part of those convicted are punished by imprisonment or death. On the whole, the particular criminals who happen to have the traits described are more likely to wind up in prison than those who do not, on very much the principle of the mediæval law which provided that if two persons were suspected of a crime and there was no evidence to prove which had done it the uglier of the two was to be adjudged guilty. In the second place, prison life itself produces its effect upon both body and spirit, and the prisoner is not the same man that he was when he committed the crime. In the third place, the positive school did not make enough comparisons of criminals with law-abiding people to prove whether the stigmata were really characteristic of criminals

Abandonment of Positive Doctrine

or might not be found with equal frequency among the rest of the population. Finally, even granting that these stigmata were unusually common among criminals, they do not actually constitute a type. They are simply an unrelated mass of peculiarities. As a result of these studies, it is generally believed to-day that, while of course some people are born with more of a tendency to do wrong than others, there is no such thing as a biological criminal class. The only true criminal class includes every one who has ever committed a crime, whether detected and punished or not. The forces which lead to crime are not essentially different from the forces which lead to any other form of immoral, anti-social, or unduly selfish conduct. Every one of us possesses in some degree the capacity and the likelihood of committing crime. Whether we do or not is largely a matter of environment, training, education, temptation, and opportunity. Probably very few of us have not done some things morally worse than the things which have made other people criminals.



Environment can make a tremendous difference in one's development.

The one great cause of crime is a faulty balance between egoism and altruism — between the pursuit of self-interest and the pursuit of the interests of others. Each successive stage of social evolution requires its own particular balance between these two forces in order that its own organization may

Modern Theory of Crime:

function smoothly and efficiently. In general, the more highly developed the social organization the more must egoism be subordinated to altruism. In a barbaric state of society very little altruism is needed to keep the social organization intact. In a society like the United States, the whole social edifice would collapse if the great majority of the population did not spend a considerable portion of their energy seeking to promote the well-being of other people. As the social organization develops, the mental, spiritual, and social character of man develops accordingly, and vice versa, — the two are mutually dependent on each other — and so the majority of the population in any society are fit to participate in the type of social life which that society represents. A perfectly well-behaved barbarian would be an impossible member of American society, while a cultivated American gentleman would simply be an "easy mark" in a barbarous society. As has been stated, this balance between egoism and altruism is enough to produce sufficiently conformable conduct on the part of most people most of the time. In a sense, every wrongdoer does represent an earlier stage of development. But his atavism is in his social attitude, not in his physical make-up.

Individualization

The failure of the positive school to reach sound conclusions should not blind us to the great service they really rendered to society. They have succeeded in focussing the attention of society upon the criminal rather than upon the crime and in teaching us that the only way to deal with crime is to treat the criminal. This new idea has hardly begun to have its effect upon criminal procedure. The criminal law and criminal procedure are heavily weighted down with tradition,

and it will be a slow task to remodel them according to modern scientific views. Certain principles, however, are beginning to be generally accepted by up-to-date students and will in time have their effect upon the law and procedure. The key to the whole situation is the individualization of the criminal. Each culprit is to be treated as a distinct problem. There must be enough classification to indicate certain general rules, but no ready-made procedure can ever fully fit the individual case. The criminal is to be regarded as a person abnormal in some respect, either in mind, body, or social situation, who needs to be treated and cured. The reformation of the criminal is the first and most obvious task of society. There is no value nor justification in imposing suffering purely for its own sake. The aim of the state throughout is to promote security and order, and to this end it should do everything possible to prevent the occurrence of crime. But true prevention is something different from deterrence



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Children's court.

in the old sense. We are learning that the best way to prevent crime is not to try to frighten people away from crime but to guarantee a normal, wholesome life to every member of society, to remove social injustices and the causes of bitterness and antisocial feeling, and to cultivate the spirit of altruism by every possible means.

Future Probabilities

Some of the lines of progress which this new conception of the criminal indicates are rather startling. It is probable that in time we shall see practically the complete abolishment of the system of predetermined fixed penalties. It will appear just as absurd to assume that a body of legislators sitting on some Capitol Hill is capable of deciding in advance just what penalty ought to be imposed upon some unknown person who commits a criminal act ten years in the future as it would seem to us to-day if a convention of physicians should attempt to prescribe in advance exactly the treatment which should be given to every patient for each specified disease for all time to come — three weeks in the hospital for scarlet fever, six weeks for typhoid fever, so many grains of quinine for a cold, etc. Doctors learned long ago that each patient must be treated as an individual and treated until he is cured. Criminological practitioners may some time adopt the same view toward their patients. This, in turn, will involve a radical change in the organization of the departments of justice. The agencies for dealing with criminals will be divided into two parts. First, the court proper, whose duty it will be to determine whether the accused person has actually done some act which indicates that he demands the control and attention of the state. Second, a body of expert practitioners whose duty

it will be to decide what sort of treatment this particular individual needs and to apply that treatment. The training of this latter body will be much more medical, psychological, and sociological than legal. Changes of this sort are already foreshadowed by the modern penological expedients of probation, parole, and the indeterminate and suspended sentence, which are becoming so familiar in the procedure of up-to-date courts and other penal agencies. In passing, it is interesting to note how much we are learning about the treatment of adult criminals through our experience in dealing with delinquent children in the juvenile courts.

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WINES, FREDERICK H., *Punishment and Reformation*, Revised Edition.

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QUESTIONS

1. What success have modern societies had in dealing with crime? How can this situation be explained?

2. What are the advantages and disadvantages of a system of fixed penalties for crime?

3. Summarize the teachings of the "classical school" and the "positive school" of criminologists.

TOPICS FOR FURTHER STUDY

The failure of deterrence (Wines, Frederick H., *Punishment and Reformation*, Chapters VI and VII)

The fallacies of the doctrines of Lombroso and the Positive School. (Wines, Frederick H., *Punishment and Reformation*, pages 249–264.)

CHAPTER XXV

The State: Constructive Functions

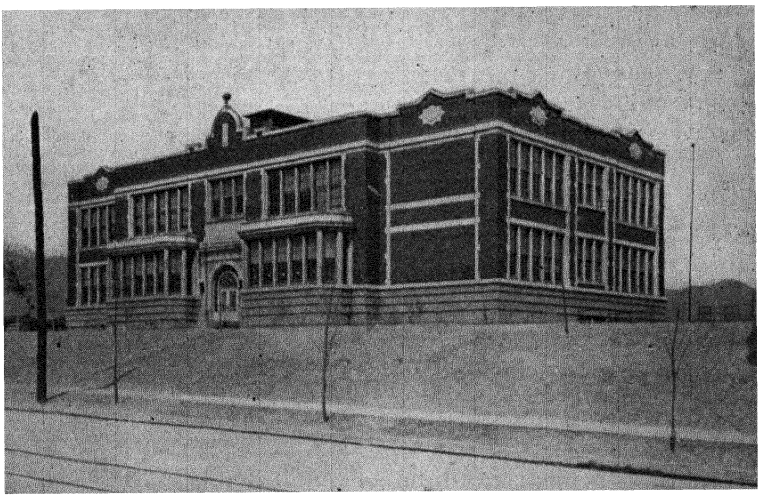
We have seen how the growing interdependence and interrelationship of individuals which is characteristic of the progress of social evolution has made it necessary for the state continually to take over new departments of conduct and put them under the ban of the law, making them crimes. In a modern criminal code the number and variety of criminal acts specified is almost incomparably greater than in a primitive code. This, as has been observed, is one of the reasons why the gross volume of crime does not decrease, although society in a real sense may be getting better. At the same time, another similar development has been going on along parallel lines. Societies have learned that under the complicated conditions of modern life the welfare of the group requires the extension of state control into fields of conduct where the moral element is entirely lacking or at most is a secondary factor. The state has been compelled to develop functions and activities which are aimed positively to promote the well-being, safety, and progress of the members of the community. These functions are sometimes called "paternalistic" because they resemble the sort of services which a loving father seeks to do for his children. They may also be called *constructive* or *promotive*.

Constructive Functions:

Perhaps the most important single example of this sort of function is found in the public school system. All

modern democratic states not only provide free educational facilities for their citizens but compel them to take advantage of these facilities (or their equivalent) up to a certain point. Thus the state uses its force not only to keep people from doing things which will harm others but to make them do things which will be good

* *Education*



The modern state spares no expense in promoting the education of its people. One of thirty-five modern public school buildings in Salt Lake City.

for themselves. Back of the state's interest in the individual, however, is always its major interest in the group of individuals which constitutes the community. The state is interested in the intelligence, health, knowledge, and prosperity of individuals principally because the solidarity of modern society is such that the happiness of all is largely dependent upon the well-being of each. With reference to schools, for instance, we must have them because

it is impossible to maintain a democratic state unless the mass of the people is reasonably well educated.

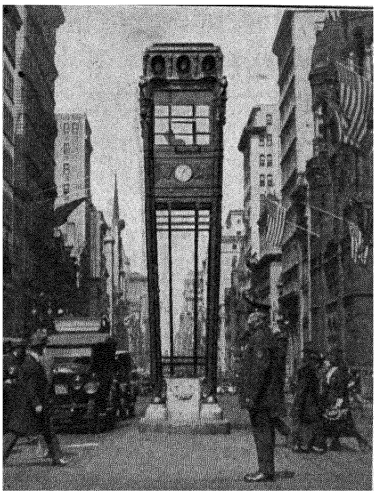


Educated children are a bulwark of democracy.

Order and Protection

Another typical example of modern state functions is found in the traffic regulations which govern the movement of vehicles in every large city. These exist purely for the sake of order, safety, and efficiency. There is nothing inherently immoral about turning to the left at a certain street corner instead of to the right. Of course when a law is passed, it becomes immoral to violate it just because it is a law. In many cases the violation of one of these laws which aim at security and order may do more harm to society than breaking a law which is designed to check a definitely immoral act. Thus a person who carelessly spits on the sidewalk may

spread tuberculosis germs and cause the death of a dozen people, while a person who commits deliberate murder may kill only one. So an incalculable amount of loss may be occasioned by a violation of a traffic ordinance. Another example is found in the quarantine laws. A person suffering from smallpox can not be charged with any wrongdoing at all on that account. But he is deprived of liberty just as completely as if he were a hardened criminal.



Much state effort is necessary under modern conditions to preserve order and security. The picture shows one of the signal towers by which the traffic on Fifth Avenue, New York, is regulated.

Welfare

Space would fail even to enumerate the various activities which modern states carry on along the lines of health, recreation, art, education, etc. Free public lectures, band concerts, social centers, public baths, parks and playgrounds, dances, theaters, and pageants are only a few of the activities conducted by various governmental agencies for the promotion of the happiness and well-being of their people.

Another of the characteristic functions of modern states is the carrying on of economic activities. The kinds of activities most often, or at least earliest, selected for government operation are those which concern the mass of the people most generally or are most intimately con-

nected with their fundamental interests. These are often referred to as *public utilities*. Many of them have to do with communication and transportation, such as the post office, telephones and telegraph, trolley lines, subways, and railways. Others are essential for health or comfort, such as water, light, and

Economic Activities



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Belle Isle (Detroit, Michigan) is one of the nation's largest city recreation parks.

heat. But many modern communities have gone far beyond these beginnings. Kansas City, Missouri, conducts an electrical supply store; Weatherford, Oklahoma, has a municipal ice plant, and Cleveland, a cold storage plant; New Orleans owns sugar sheds; Grand Forks, North Dakota, an abbatoir; Denver, irrigation works, and Charleston, South

Carolina, a powder magazine. Enterprises of these kinds practically always grow out of the experience of a community which finds that the best welfare of the group does not result from the bargaining of private individuals and groups about these important matters. We may



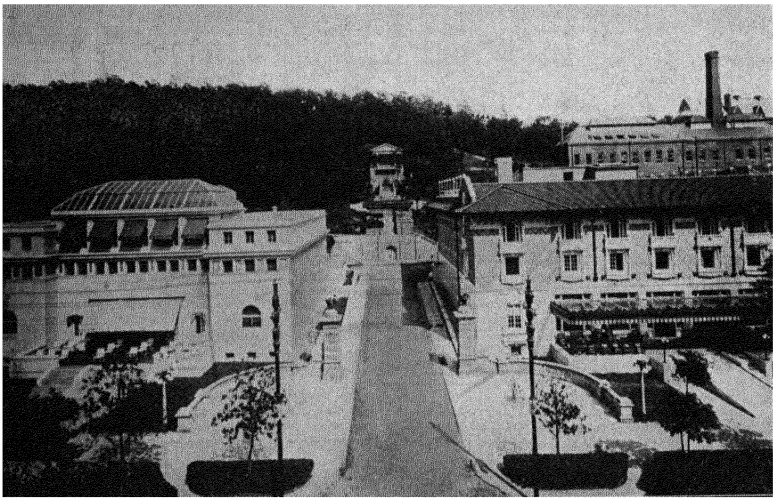
The interior of a U. S. mail car. President Roosevelt working on a

expect a wide extension of governmental activities of this general type in the near future.

Relief

Modern societies are characterized by the amount of attention which they give to the relief of their needy members. In primitive societies the weak and aged are put to death in accordance with established custom and without any feeling of repugnance, often even

on the part of those who are put out of the way. But in all civilized societies for ages past some care has been given to helping those who could no longer help themselves. It is distinctly a modern practice, however, for a large part of this relief to be given by the state itself. To-day in the United States not only the separate states but the various



Bath houses at the government-owned health resort at Hot Springs, Arkansas.

local governmental agencies — counties, cities, towns, etc. — have their provisions for the care of different needy classes. Beginning with those who were unable to provide for themselves economically — the poor — governmental activity has been extended to include the insane, the blind, the sick, the deaf, the dumb, the feeble-minded, and many other types of needy persons. The final justification for these activities is found, once more, in the solidarity of modern society. The structure of civilized society rests largely on altruism.

Anything which weakens altruism, like the neglect of those who are in need, weakens the foundations of society, while the exercise of altruism cements the whole social edifice and is worth vastly more than it costs.

Still another function of the modern state that is rapidly increasing in importance consists in fixing or limiting the terms of the various bargains between private parties which make up the economic life. This regulation customarily takes the form of fixing a minimum level below which competition may not go, while leaving unchecked the full play of competition above this level. A good example is found in the housing laws of modern cities. The housing law consists in a set of minimum requirements or standards which every builder of each type of house must live up to. Persons who would like to bargain for housing accommodations below this level, builders and tenants alike, are not permitted to do so. But there is full scope for bargaining above this level. Minimum wage laws are of the same character. No one is permitted to make a wage bargain below the level set by the state, but there is no limit to the height to which wages may go above the level. All censorship laws come under this head — in fact all of these laws are a form of censorship. The state fixes certain levels of decency below which competition may not take place in the bargaining for books, or plays, or amusements. This is a very difficult thing to do, for this brings the state very close to the regulation of morality, which the state is ill fitted to undertake. Yet such action is absolutely necessary. The fact that what the state is aiming at is not goodness but stability and security furnishes the justification and the guiding prin-

Legal Minimums: *Censorship*

ciple for such action but does not always make it easy to decide just how far the state should go in any specific case. Another great set of laws of this general character are those regulating the conditions of industry — factory laws, child

WAGE FOR WOMEN

"We ought to provide * * * under the exclusive jurisdiction of the Federal Government a minimum wage law for women."

LIMIT CHILD LABOR

"For purposes of national uniformity, we ought to provide, by Constitutional amendment and appropriate legislation, for a limitation of child labor."

President Coolidge has supported the doctrine providing governmental protection for those whose own power is not sufficient to secure socially satisfactory economic conditions.

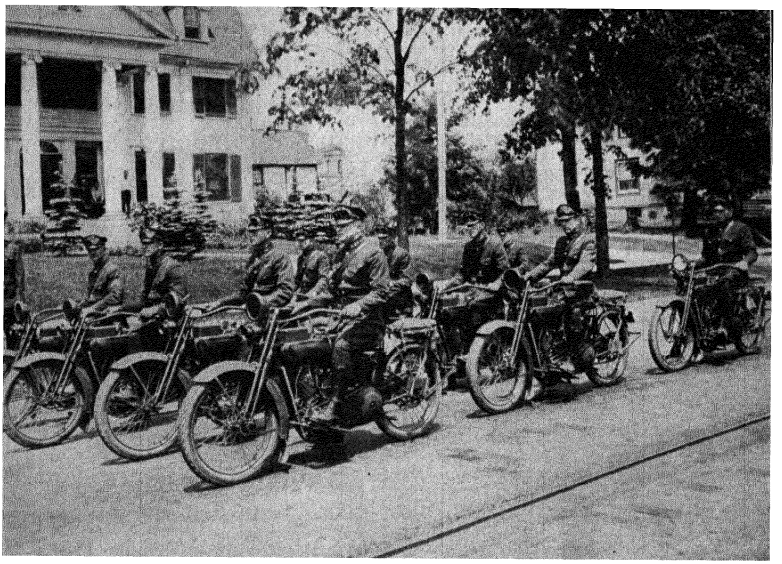
labor laws, etc. These fix minimum standards with reference to ventilation, sanitation, the safeguarding of machinery, the age at which the wage bargain may begin, the length of time which a woman must stay away from work before and after bearing a child, and a thousand and one other matters of general well-being. The responsibility of the owner of the business for mishaps which occur because of inadequate provisions in these various directions is established by our modern workman's compensation acts Still other variations of this type of laws are found in the pure food laws, the legal regulation of railway, gas, and trolley rates, etc.

The necessity for this principle of fixing the minimum level of bargaining is found in the helplessness of the individual to protect himself in many of his interests under

modern conditions, or conversely, the great extent of the injury which can be wrought by a single unwholesome business. There used to be an old legal saying, *caveat emptor*, which means "let the buyer look out for himself." As long as the seller did not actually tell any untruths, the responsibility lay upon the buyer to see that he got as good value as he expected. But under modern conditions the buyer can not possibly take care of himself. Modern economic processes are so complicated that no individual can possibly have the knowledge, the experience, or the time to protect himself against the innumerable forms of loss and deception which threaten him. Power is so unevenly divided that the many are constantly at the mercy of the few. No housewife is able to tell unaided whether the beefsteak which is delivered from the butcher shop has been hygienically handled from the time it was a steer, or whether the milk which she finds in a bottle at her door in the morning contains typhoid germs, or whether the butter contains an unreasonable amount of water. No wage earner can by his own individual efforts secure proper working conditions in the factory where he seeks a job. No automobilist can give himself the necessary protection from careless and unfit drivers on the road. No parent can accompany his children to all their sources of amusement or recreation to protect them from degrading influences. The worst of it is that injurious goods of every kind can be made very attractive and will draw buyers away from goods which are of sound quality but not so alluringly presented. It has been proved in many fields that in the absence of authoritative regulation unchecked competition tends to drag the business as a

Individual Helplessness

whole down to the level set by the least scrupulous and socially-minded persons engaged in that particular business. The great majority of bargainers, who would be glad to maintain decent and wholesome standards, are not able to withstand the competition of the antisocial minority.



To enforce observation of the speed laws the state provides an autocycle police force.

Growth of Governmental Unit

Another feature of modern state activity which is of the greatest importance is the steady increase in the size of the characteristic governmental unit. The development of the state from its primitive origin in the family has been through the clan and tribe and small state to the modern nation and empire. This progress in simply another resultant of the growing complexity and interdependence of life of which

we have spoken so often. The larger the group upon which we become intimately dependent, the more extensive must be the unified control which regulates the conduct of that group. In this country this principle is illustrated by the continuous transfer of authority in various matters from the individual states to the Federal Government. This process is resented by many people who seem to feel that there is something sacred about "states' rights." But it is a process which must inevitably go on at an increasing rate if the highest well-being of the American people is to be promoted. A striking illustration was furnished by the movement to put the quarantine service under Federal control. This was opposed by many as a violation of states' rights, until people at last became convinced by bitter experience that states' rights and state boundaries have no influence upon disease germs.

World State

There can be no question that the whole character of social evolution points toward some form of world state as the final end of the process of extending the governmental unit. The interests of all mankind are already so closely bound up together that some form of inclusive control has become an essential for the general well-being. In the past reliance has been placed mainly upon so-called "international law." But international law as it has been known hitherto is not real law at all, because there is no force back of it. There has never been an agency commissioned by a group of the great nations to exert their combined force against those who disobey their commands as single societies have created their state organizations to back up with force the will of the community. Violations of international law, when pun-

ished at all, have been punished by the force of one state exerted against another state, that is, by war, which is the reverse of law. The League of Nations is a notable movement in this general direction. It may prove to be the beginning of a real world state. And whether through the League of Nations or by some other way some form of world state is bound to come. For the intertwined interests already exist among nations and are yearly becoming more important. And where related interests exist related control must inevitably be set up to protect those interests. It would be just as reasonable for the savage on the collection stage to have denied that some form of tribal government would ever be necessary to promote the interests of individuals bound together in a tribe as for a citizen of the world to-day to deny that a world state will ever be necessary to promote the interests of nations already bound together by common interests. Yet the task is a very difficult one. For while common interests are very strong, the divergent and conflicting interests are also powerful. The common interests between nations to-day are chiefly economic, and there is lacking the broad sympathy and understanding which comes from sharing such other interests as language, religion, kinship, recreation, and the other features of nationality. Of course, the proportion of the citizens of different nations who have common interests in science, music, art, literature, etc. is steadily growing, but it is still very small, while the sense of national unity, which usually involves a feeling of national superiority, is very great.

Finally, mention should be made once more of that function of the state whereby it decides questions of rights

which are not covered by any law. It is obviously impossible for any group of lawmakers to foresee every possible conflict of interests and to define in advance the rights involved. There must be civil courts and civil procedures authorized to pass upon these cases as they come up.

Civil Justice

In all these various matters one great principle stands out prominently. From it may be drawn one of the most important of all the laws of social science: *Increasing complexity of the social organization and increasing interdependence of the members of society upon each other necessitate an increased authoritative control by society over the conduct of the individual and a continuous extension of the scope and range of the governmental unit.* Seeing this principle constantly in operation many people bewail what seems to them the loss of individual liberty. Whether we like it or not, it can not be denied that individual or personal liberty in the strict sense has to yield to social liberty as society evolves along its present lines. What is important to-day is not that the individual should be free to live the kind of life chooses but that a community should be free to develo the kind of social organization it chooses. Individual liberty and a highly organized society do not mix any more than oil and water. We can not eat our cake and have it too. Any one who can not be happy without the degree of personal freedom that prevailed in a more primitive stage of society can do little else than to seek his happiness in some existing society that is a few stages behind the vanguard of civilization.

Principle of Social Complexity

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BURCH, HENRY REED, and PATTERSON, S HOWARD, *Problems of American Democracy.*

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QUESTIONS

1. What are the "paternalistic" functions of the state? Why have these increased in recent years?

2. What are "public utilities"? Name some of them in your community.

3. How are the relief activities of modern societies justified?

4. What is censorship? Why is it necessary?

5. What has been the general tendency of social evolution as regards the size of governmental units? Toward what ultimate culmination does this point?

6. What is the weakness of the system of "international law" which has prevailed up to the present time?

7. Give some examples of "constructive" or "promotive" state enterprises, showing how they are justified.

8. Describe some cases of state regulation of bargaining between individuals.

9. State the law of increasing social complexity, and explain its bearing on personal liberty.

10. Who owns the water supply system in your community? By whom is it administered? The electricity supply system? The gas? The street cars?

11. Describe any unusual municipal enterprise in your community.

TOPICS FOR FURTHER STUDY

Varied governmental functions of the modern city. (Jenks, Jeremiah W., and Smith, Rufus D., *We and Our Government,* Chapter XIII Howe, Frederic C., *The Modern City and Its Problems,* Chapter XVIII)

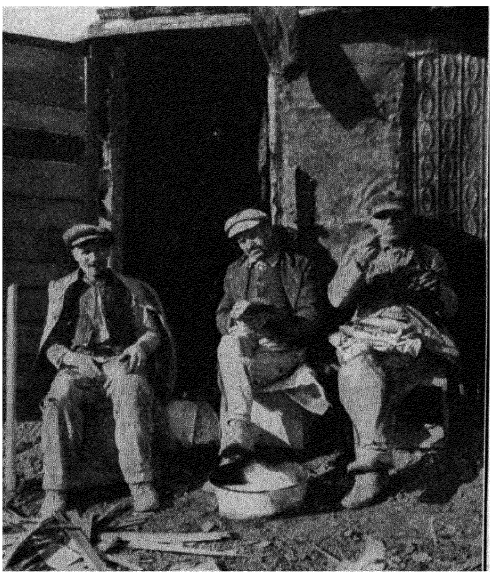
The necessity of some form of world organization. (Fosdick, Raymond B., "The League of Nations after Two Years," *Atlantic Monthly,* August, 1922, pages 256–268.)

CHAPTER XXVI

Normality and Abnormality: Unemployment

The first duty that every individual owes to the society of which he is a member is to do his best to help keep the social mechanism running as smoothly and effectively as possible. This means first of all that he must do faithfully, and as ably as he can, the particular part which he is expected to perform. The social mechanism is composed of individuals, and every individual is a part of the mechanism. A given individual may seem to himself and to others to be a very insignificant part. It may seem that his particular contribution is of no importance and that the machine would work just as well without him. It is true that the machine would work,—

Individual Importance



© *Ewing Galloway*

Turning a city's waste into millions.

very few individuals are actually indispensable — but it would not work as well. However humble the place that any one holds, it has some relationship to the working of the whole machine, just as every cog, or nut, or pin in a great printing press has its own use and purpose. Whenever any one fails to do his part, he is interfering with the best working of the machine to some degree, great or small.

This leads us to review and extend our idea of normality. Behavior which tends to keep the social machine running at its maximum efficiency is called *normal* behavior. An individual who is faithfully doing the part that he is expected to do in keeping the machine running is living a normal life. Taking a broader view, any institution or social habit, any relationship between individuals or groups which is necessary or effective in promoting the smooth running of the social machine is normal. It is clear, then, that normality is a relative idea. The normality of any individual conduct or of any social condition depends upon the character of the society or the social system to which it belongs. What is normal in one society would be abnormal in another, just as a normal piston rod for a Ford car would be abnormal in a Packard or vice versa. Nor must it be supposed that there is necessarily any question of relative superiority between two different normals. A piston rod for a Packard car may be no better than a piston rod for a Pierce-Arrow; one is normal for the Packard; the other, for the Pierce. So with social institutions, social conditions, and individual conduct; they are normal or not according to whether or not they fit in properly with the rest of the aspects of the social organization to which they belong. It is largely a matter of folkways, expec-

Normality

tation, and conformity. For example, we have spoken previously of the bargaining habits which are customary in Turkey, as contrasted with those that prevail in our own country. In Turkey it is normal to spend a half hour or more haggling over a purchase. In the United States it is abnormal and a waste of time. In many southern countries it is normal for everybody to take a long nap, or *siesta*, after lunch, and any one who tries to do business in the American way wears himself out, makes a lot of trouble for other



In Turkey one haggles over a purchase for half an hour.



In Mexico one takes a siesta as a matter of course.

people, and accomplishes nothing. In the United such a practice is wholly abnormal.

The idea of normality therefore contains elements efficiency, harmony, consistency, and conformity to expec tation. It should be carefully distinguished from several other ideas with which it is often confused. One of these is the idea of *customary*. Normality is something different from custom, for (unfortunately) many things are customary which hinder rather than help the working of the social machine. For example, it is customary for people to be careless about coughing and sneezing in public places, but there would be

Not Custom, nor Average, nor Ideal

much less suffering from colds and influenza if everybody were careful, and the social machine would escape many jolts and jerks. Neither is normality the same as an average. For an *average* includes every one, both those who are doing their part and those who are not, so that the average is almost always somewhat less satisfactory than the normal. To illustrate: the temperature at which the human body best performs its functions is 98.6° Fahrenheit. This is the temperature of perfect health and is therefore normal. An average temperature would be based on the temperatures of all living people, including the sick and the well. Some of the sick would have temperatures above 98.6°, while others would register below. Since probably many more would register above than below, the average temperature would be somewhat over 98.6°. The average and the normal may happen to coincide, but they are not the same thing. Nor is normality the same as an abstract ideal. An *ideal* is a vision of something better than that which exists. It is therefore different from what does exist. But if the ideal refers to only one aspect of the social life, as it usually does, something different from what exists might not fit in as well with the other departments of the social organization as the present form. A man working with a complicated machine may think out a decided improvement in some part of the machine. But if he tried to put that part into the existing machine, it might stop the whole machine from working. The whole machine might have to be rebuilt to match the new part, and in the long run, if the new part was a great improvement, it might pay to do it. But with the present machine the old part is normal. There is a story of a young couple who had a small flat, comfortably but modestly

furnished. Some well-meaning friend gave them a beautiful marble statue for their hallway — the "ideal" creation of some great artist. The young couple were very much pleased. But when they came to set the statue up in their hall, they found that it made the hall table look very queer. So they sold the old table and bought an elaborate new one. But this did not match the living-room furniture, and so they had to sell that and get a new set. So it went on until in the end they had to completely refurnish their flat.



In the United States at the present time it is normal to employ children under eighteen in certain industries

But when that was done, they realized that all this fine furniture was quite inappropriate in a little flat. So they proceeded to sublet their flat and to buy a house. It was not long, however, before they were forced to admit that all this grandeur was quite beyond their means. So they sold the house and the new furniture, moved back into their old flat, and gave away the marble statue as a wedding present to a wealthy friend. The moral, of course, is that large marble statues are not *normal* in small flats, nor are they normal possessions for persons of modest means. To take another illustration from the social field, it would be ideal if no child had to go to work before he was eighteen

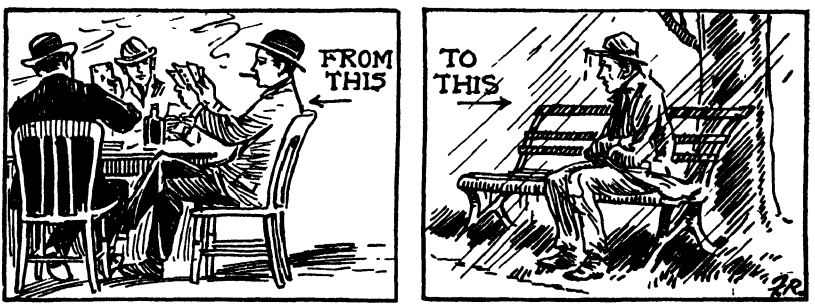
years of age. But if that rule were to be established at once in the American economic system, it would seriously disorganize industry and would cause terrible hardship to a great many families. It is not normal at present.

We shall have more to say about ideals later on.

With reference to the conduct of the individual, abnormality may be of two different sorts. The first includes everything that is due to a definite desire of the individual not to do his part, leading to willed acts which are injurious to society. This is the kind of conduct of which we say that the individual "is to blame" or that it is "his fault." The social force in such cases is antisocial desire. The second sort includes all conduct or behavior which is due to weaknesses or defects in the individual's character which he can not help or else to some defect in his relationships with the rest of the social group. Conduct of the first sort is called in general *immorality*, that is, failure to conform to the moral code. Another general word is *sin*. There are two specially defined types of immorality or sin. The first is *crime*, which, as we have seen, is a violation of the law of the state. Just as the law is the most definite form of social control, so crime is the most definite form of immorality. But it is not necessarily any worse than other forms of immorality. The second type of immorality is *vice*. This includes various forms of conduct which injure first of all the individual and injure society through the individual and also through their contagious influence which tends to bring an increasing number of individuals into their power. Most types of vice take the form of an immoderate, unnatural, or unwholesome gratification of some natural and normal de-

Sin

sire. Such, for instance, are the vices of gambling, prostitution, gluttony, alcoholism, and drug addiction. It is the nature of vice that it gets a stronger and stronger hold upon those who practice it. The desire grows with what it feeds on and demands ever more and more satisfaction. The final end of vice is often disease, insanity, or death. It is sometimes convenient to use the word sin to include all forms of immorality which are neither crime nor vice. It has already been made clear that the growth of the primary



Vice is by its very nature destructive to those who practice it.

criminal law consists in taking successive acts out of the list of simple sins and making them crimes; on the other hand, in the modern criminal law there are many other acts which become sins only because they have been made crimes.

The second type of individual abnormality, that which is not due to the fault of the individual, includes a long list of difficulties. Among them are most forms of disease, idiocy, insanity, feeble-mindedness, and a good deal of poverty, destitution, and unemployment. Evils of this type may be called *incompetence*. It is characteristic of modern societies that they tend to devote an in-

Incompetence

creasing amount of attention and energy to providing for persons and families who are suffering from any of these evils. Time would fail to even mention the various institutions and agencies in the United States, as an example, that exist for the sake of caring for the needy classes. Some of them are private, that is, have no connection with the state, and others, as we have seen, are departments of governmental activity. What interests us particularly at present is to understand how this modern attitude has been developed, and why society is justified in using so much of its energy in helping those who can not help themselves. The answer has already been suggested in what has been said about the necessity of social solidarity as a condition for social stability and permanence. It is sometimes said that social measures which keep alive the so-called "unfit" are contrary to the principles of evolution and tend to hamper the progress of the society that practices them. Such a statement misunderstands evolution in several points. Most important is the fact that human evolution has practically ceased to be on an individual basis and has passed to a social basis. The evolutionary struggle to-day is much less between individuals than between societies. The question is not what type of individual shall win out and survive, but what type of society. The strength of any society depends upon the common sympathy and fellow feeling between its members. Anything which weakens these bonds of sympathy weakens the society and makes it just so much more likely to be defeated by societies which are more altruistic. Another reason, of less importance, is that there are so many ways by which an individual may serve a modern society that it often happens that an indi-

vidual, who is incompetent in many respects, may have some one talent which will well repay society for his care. Finally, so large a part of human suffering to-day is due to causes for which the community at large is responsible that it is only simple justice that the community should provide relief.

Organized Altruism

There is no question that a protective attitude on the part of society towards its members has come to stay and will increase rather than diminish in the future. It is worthy of notice that, in harmony with modern scientific notions, societies to-day realize that the prevention of social abnormalities is much more efficient and economical than their relief or cure. More and more, charitable or welfare agencies are devoting their money and energies to preventing suffering rather than to relieving it, though when it actually exists it must of course be relieved. They are also tending to rely more on helping people to help themselves, rather than on doling them out relief in material goods. The charity organization movement is an excellent illustration of this principle. It also falls in with the modern idea of consolidation or coöperation of effort for the sake of efficiency, which we find illustrated in so many other departments of life. Against this kind of social relief work the objection is sometimes made by persons who have not quite grasped the modern situation, that "too much of their contributions goes for administration, and too little for relief." What we need to remember is that the "administration" of a scientific social agency consists in helping people to help themselves, removing the causes of their troubles, and putting them once more into normal relations with their society. This is much

more effective and constructive than simply giving them the material assistance that their temporary situation calls for, while paying no attention to the causes which lie back of the difficulty. The latter treatment often results simply in perpetuating the situation and really injuring the charac-



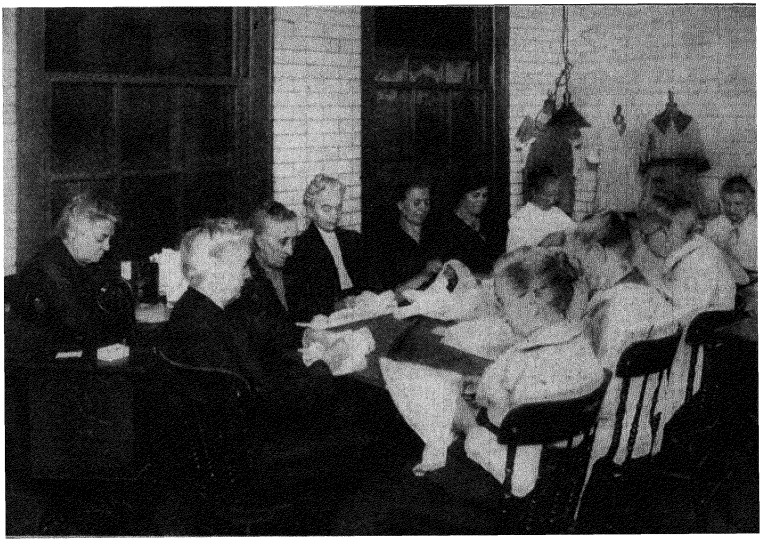
Modern societies are particularly interested in the welfare of their children. Many activities are carried on similar to the one shown, which is part of the work of the New York Association for Improving the Condition of the Poor.

ter of those whom it is intended to help. The only way really to deal with an abnormality is to get at the causes. The ideal of the scientific social agency is that *all* its resources should go for administration and *none* for relief.

Another objection made to agencies of this kind is that they are cold and impersonal and lack the warm human

touch which characterized the old type of "charity." There is a good deal of truth in his statement as it stands. But the significant fact is that charity of the old man-to-man, friendly kind has become practically impossible in modern life. The old form of relief

Scientific Help



Courtesy of N. Y. A. I. C. P.

Providing work, not charity, leaves one's self-respect.

rested upon conditions of personal acquaintanceship between giver and recipient and an intimate knowledge of the social conditions of those whom it was intended to help. Where those conditions still exist, the first-hand, direct forms of charity may still be used to good advantage and to the benefit of both the giver and the receiver. But conditions of this sort are very seldom found in modern life. Real acquaintanceship, to say nothing of friendship, be-

tween the well-to-do and the needy is rare to-day. Without it, first-hand relief is certain to be ill-advised and misguided. It can not get at the causes and is therefore likely to do more harm than good. It encourages imposture and fraud



Courtesy Nat'l Tuberculosis Assn.

Relief which aims at removing the cause of suffering is the best help.

on the part of that particular type of "confidence man" who prefers to make a living by trading on the altruism of the public rather than in some more productive way. The simple fact is that our whole social life has become intricate and impersonal, and relief has had to share in the general tendency. Social betterment has become specialized like everything else, and special knowledge and train-

ing are necessary to engage in it properly. Social work has become a profession, and while there is still much that can be done by amateurs and volunteers, their efforts must almost always be guided and directed by experts.



Courtesy Ass'n Aid Crippled Children

Modern social work is truly constructive.

Social Problems

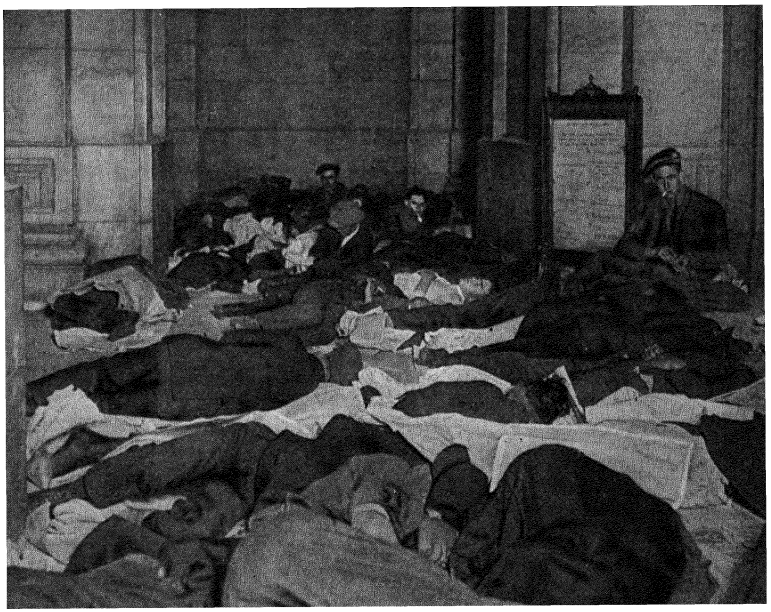
This brings us to the consideration of the second great form of abnormality, that which can not be traced to the characteristics of any particular individuals but which is inherent in the whole social system and therefore due to the composite character of the whole group of individuals. This, again, includes a long list of evils. Important among them are a

large proportion of disease and death, much poverty, the interruption of production on account of labor troubles, and unemployment. Evils of this kind constitute social problems in the more restricted sense of that term. They can not be corrected by remedies applied to the individuals who suffer from them, either in the way of removing defects or weaknesses or of modifying their desires or appealing to their will. Since they arise from social conditions, they can be removed only by correcting those social conditions. This, as we shall see more fully later on, can be done only by influencing the willed acts of the members of society in general.

As an example of this type of abnormality we may take unemployment, not only because it is very important and causes a great amount of unhappiness and suffering, but because it illustrates very clearly what sort of forces create evils of this kind. *Unemployment* may be defined as absence from paid work during normal working time and under normal working conditions that is not due to the will or desire of the idle person. As this definition makes clear, mere idleness is not necessarily unemployment. Unemployment exists only when a worker wishes to have work and can not get it. People who voluntarily leave their jobs or take a vacation are not unemployed. On the other hand it should be clearly noted that the condition of unemployment is not removed if the worker is offered work at wages far below what can fairly be considered normal, or work under abnormal conditions, and refuses to take it. The condition of unemployment, therefore, like so many other social conditions, is relative to the general organization of a given

Unemployment: *Definition*

society. An able-bodied worker in the United States, accordingly, who was offered work at $1 a day and refused it might still be unemployed, while a similar worker in Italy who was offered an equivalent sum and refused



Unemployment is largely due to social causes, which force people through no fault of their own to live in conditions like this.

it could not claim to be unemployed because normal wages are so much lower in Italy. The definition of unemployment is of a great deal of practical importance, for the genuinely unemployed person has a very different claim on society — a moral claim and in some societies a legal claim — from one who is idle from his own choice.

Unemployment, it is clear, can not be immorality or sin,

because by definition it is contrary to the will of the unemployed person, though it may be, and sometimes is, the result of immorality. When it is due to individual causes at all, it is due to weaknesses or defects which lie beyond the immediate control of the individual will and for which accordingly the individual is not to blame. The unemployed worker, therefore, merits social sympathy and assistance, not scorn or condemnation. In point of fact a very small part of unemployment is actually due to personal factors. There are very few members of the normal working class in an ordinary society who are positively unemployable provided industrial conditions are good enough. We are told that in ancient Alexandria, more than two thousand years ago, there were practically no unemployed. Even the blind and gouty were busy earning their living. More modern communities, including some of our own cities, have proved by experience that persons with very serious handicaps can produce enough to pay to employ them provided some one takes the pains to adjust them to a job which they are fitted to do. The best proof of this statement is found in the fact that the very workers who are unemployed at a time when business is slack will be found to be employed when business is active without having undergone any change in their personal characteristics in the meantime. The actual situation has been expressed in the saying that "personal qualities do not cause unemployment but determine who shall be unemployed." This becomes clearer when we examine the nature of unemployment a little more closely.

Personal

Unemployment is due to a shortage of the demand for

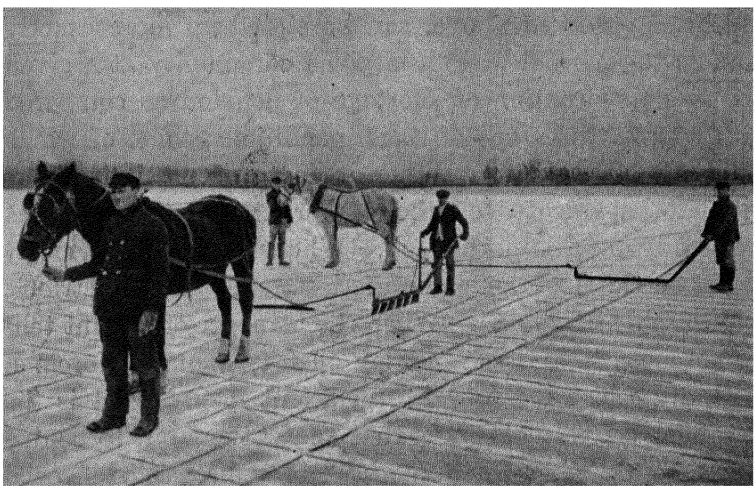
labor — labor in general or a certain kind of labor — relative to the supply of labor. This situation arises out of the conditions that govern the labor bargain, the main features of which we have already discussed. As in every relation between demand and supply, price is a factor. The shortage of demand that causes unemployment is always a shortage at a certain price, which, as observed above, can be stated no more exactly than as the normal wage in a given community at a given time. This situation of shortage of demand as compared with supply arises out of social conditions, some of which we shall examine soon. When it does arise, some workers will not be able to sell their labor at the normal price. Somebody must be out of a job. Who will it be? Obviously it will be those workers who are least efficient, industrious, or profitable in general. When the manager of a plant tells the foreman that they must lay off fifty men, the foreman naturally select the fifty least efficient men. So it is the poor efficiency of these men that marks them out to be discharged. But they would not have been discharged if social conditions had not determined that some one must be unemployed. As is made clear by the definition, unemployment may consist in being put on part time as well as in being discharged or laid off.

Social

Aside from the small portion of unemployment which is due to personal causes there are three main types of unemployment. The first of these is what is called *seasonal* unemployment, because it arises from the changes of the seasons. This, in turn, has three subdivisions. First, there is the unemployment which is due to the fact that many industries have busy and

Seasonal

slack periods which are determined by the climatic conditions at different times of the year. All agricultural pursuits are seasonal in this sense. They are governed entirely by the climate. When the soil is ready in the spring, the seeds must be sown. When Nature has ripened the crops, they must be gathered. When the fruit is ripe, it must be



Ice cutting is a good example of a seasonal industry.

picked, and many kinds of fruit must be immediately canned or preserved in some way. So we have a few very busy weeks in the wheat fields of the Middle West, or in the canneries of New York State, or on the cranberry bogs of Cape Cod. There must be workers to carry on these industries when the season calls for them, but if they are dependent on these industries alone, they must be unemployed a considerable portion of the year. Other industries have their busy season in the winter. Such are lumbering, ice-

cutting, and to a large extent coal mining. The second sort of seasonal unemployment is that which occurs in industries that serve the fashions which follow the seasons — or sometimes, in fact, precede the seasons, as when we begin to wear our straw hats in February and furs in September. Most of the clothing trades, tailoring, millinery, making of artificial flowers and feathers, etc. are seasonal in this sense and so have their unemployment. The third kind of seasonal unemployment arises from industries which are dependent on social institutions which are fixed at certain dates in the calendar, though they are in no way dependent on the climate. The most important of these in the United States is the season from before Christmas to New Year's. We are all too familiar with the tremendous rush which comes just before Christmas in many occupations, though we do not have a chance to see how widely the effect is distributed through other industries such as making confectioneries, paper boxes, and toys. When we realize how many people are employed in industries that belong to one



Industries which cater to the fashions suffer from much unemployment.

or another of these seasonal types, it is easy to see how enormous would be the amount of unemployment connected with them if each worker were confined to only one industry. Fortunately, the busy and slack seasons in different industries are pretty well distributed throughout the year (though on the whole the summer is a busier season than the winter), so that it is possible for many workers to change from one job to another. This process is called "dovetailing" and prevents a large amount of suffering from unemployment. But there are many practical difficulties in the way of its being a complete or wholly satisfactory remedy for seasonal unemployment. The change from job to job is often expensive, frequently interferes with normal home life, and almost always involves a considerable loss of time. In fact, the seasonal occupations are largely responsible for the existence of the great army of "casual workers," or "drifters," who attract so much attention at times because of their shiftless, undependable, and sometimes lawless character, and who are only a stage or two above the genuine "hobo" class. It is true that the industrial and other traits of this type of workers are not wholly admirable, but on the other hand it must be admitted that they are largely a social product.

Chronic

The two other main types of unemployment are what may be called *chronic*, or permanent, unemployment and *cyclical* unemployment. These are closely related and are caused by much the same basic factors in our social and economic organization. They are, in fact, an accompaniment of the capitalistic system which modern societies have not yet learned to avoid. It may seem strange that there should be a more or less constant

excess of labor over the demand for labor. A little thought, however, will make it clear. We have seen that the distinguishing feature of the industrial stage of civilization is the prominence of machinery in the production of wealth. To a constantly increasing degree wealth is produced by the use of machinery, while the factor of labor has become steadily less important. Of course no wealth can be produced without some labor, but the nature of modern machinery is that it requires a smaller and smaller amount of labor for each unit of product. That is why it is called "labor-saving" machinery. Thus the demand for labor relative to a given volume of wealth production becomes steadily less. And while there has been a tremendous increase in the volume of wealth production, it has not been enough to offset the decrease in the demand for labor due to machinery.

Two Aspects of Wages

At the same time the tendency toward large-scale production and the increase in the amount of capital necessary for the most profitable production have made it steadily harder to become an independent producer. As a result a constantly growing proportion of the total population is found in the ranks of the wage earners, while the small class that makes its living through ownership becomes more distinct and powerful. All this leads to increased efficiency in wealth production. In fact, the real difficulty is that we have overdeveloped our wealth-producing equipment in proportion to our provisions for consumption. It may seem a very strange fact, but it is a fact, that in such countries as the United States and England there is a much greater capital plant than is necessary to produce the amount of wealth which can

profitably be disposed of under our present system of distribution. As we have seen, production is carried on for profit. The profit goes to the owner of the business, who also owns the product. He makes his profit by selling the goods for more than it has cost to produce them. Whether he makes his anticipated profit depends on the market, that is, on the demand. The market is composed of those who have purchasing power to offer for goods. This purchasing power is very unevenly distributed in modern societies. A few people have much more purchasing power than they need to supply all their material desires, on account of the principle which we have already studied of diminishing desire. All they can do with the balance is to invest it, that is, to devote it to production which results in turning out still more goods which are to be sold for profit. The great majority of the population have purchasing power far below their desires. They want goods badly enough, but they have very little to pay for them. These two classes shade into each other through all degrees of income. The great class whose desires are in excess of their purchasing power is composed mainly of the labor class whose purchasing power comes from wages. These wages, which, looked at from the point of view of labor, constitute the source of purchasing power, are a large part of the cost of production as looked at from the point of view of the owner of the business. The less the owner pays in wages, the greater will be his profits provided he can sell the goods at the anticipated price. But, on the other hand, the less he pays in wages, the less will be the purchasing power of the laboring class upon whom he depends for a large part of his market and therefore the smaller the likelihood of

realizing that price. Here is the great dilemma. Owners of businesses spend a good deal of their thought upon the questions of quantity of product, prices, and wages, though very likely not all of them realize how direct is the relation between the wages they pay and the amount of money that will be available to buy their product when it is finished. This is natural enough because, as hardly need be pointed out, the situation in real life is by no means so simple as the account of it which we have just given and because, as we have seen, much more thought is given to production than to consumption. It is not a question of one owner selling to his own laborers, but of hundreds of thousands of owners selling to each other's laborers, as well as to the other classes of the community whose purchasing power comes from rent, interest, and salaries, and finally to those persons who are included in that rather vague thing known as the "foreign market." The relation between wages and profits is twofold. Looked at from the point of view of production it may be stated: The lower the wages, the greater the profits. Looked at from the point of view of marketing it becomes: The higher the wages, the greater the profits. Of these two contradictory relationships the first is direct and personal as regards each individual owner. The second is diffused and social. The first is a question of what he pays his own laborers. The second is mainly a question of what other owners pay their laborers. For no owner sells exclusively, or even chiefly, to his own laborers. The marketing relationship is beyond the control of the individual owner; the producing relationship is in his own hands. Consequently each owner tries to guarantee his own profits by keeping wages as low as possible and trusts to fate to

provide the purchasing power to take up his product when it is ready.

Excess of Productive Plant

As a result of the conditions just described the production end of the profits-wages relationship receives a great deal of expert attention and is admirably handled. Modern societies seldom suffer from too high general wages. But the marketing end of the profits-wages relation is sadly neglected. "What is everybody's business is nobody's business." The problem of keeping wages high enough to maintain the purchasing power of the market receives virtually no attention from experts representing owners. It is left entirely to the laborers themselves, whose efforts in this direction naturally look to the owner like obstacles in his way as he tries to push the production end of the problem. The natural outcome is the situation already mentioned — modern societies have developed a producing equipment and system able to turn out a good deal more product than can be sold at such a price as to realize the expected profit. Consequently, since profit is the thing aimed at, this producing equipment is allowed to lie idle, or else to run at less than its full capacity, a good deal of the time. It is reported that one of the biggest production engineers in the United States said, "On the whole, only about 50 per cent of our industrial machines are actually operating during the time they are expected to operate; and on the whole, these machines, during the time they are being operated, are producing only about 50 per cent of what they are expected to produce." Others have estimated that in general the productive plant is operated to only about 75 per cent of its capacity. A part of this productive plant, in the broad sense, is labor, and when

the plant is not being operated, labor is idle. Thus there is at all times a margin of unemployed labor, which is reduced to relatively small proportions when business is booming but probably never wholly disappears. How great this chronic unemployment in the United States is we have no way of knowing certainly. The government figures of the production of cotton are much more complete and reliable than for the unemployment of labor. It would probably be a conservative estimate to say that year in and year out the average unemployment of all kinds, including seasonal, amounts to at least ten per cent of the entire labor force of the country.

Cyclical unemployment arises from the cyclical nature of modern industry. The "business cycle" has received a great deal of study lately. Its causes are somewhat complicated, and the full explanation is rather technical. But the fundamental causes are not difficult to understand. First of all, let us have the character of this cycle in mind. Suppose that business is going along at an average, steady pace. Profits are satisfactory, and the owners are making good money. Under these conditions owners are encouraged to reach out for more business and to expand their production somewhat. Each move of this kind makes an increased demand for raw materials, for labor, and for land and capital. This acts as a stimulant to business and tends to increase the sense of optimism in the business community. This feeling of optimism continues to grow at an accelerated rate. Business expands more and more rapidly. More money is borrowed, more contracts made for future fulfillment, all sorts of future obligations incurred. Business is booming. Then,

Cyclical

with more or less suddenness, there comes a crash. Some big business fails, or some prominent bank suspends payment, or some great financier can not meet his obligations. The disaster spreads rapidly. Failures multiply; the banks begin to refuse further credit; debtors are called upon to pay their loans and have not the means to do so. Profits are threatened or disappear on every hand. Production is completely stopped in some plants and curtailed in others. Laborers are laid off or put on part time. The community suddenly finds itself dropped into a period of depression. What has actually happened is that all this productive activity has at last been brought up against the reality for which it exists — the consuming public, or the market. It has found that the effective demand of the market is not great enough to take all the goods which have been produced or are in process of production at the anticipated prices. There has been created a situation of overproduction or, in a more significant phrase, underconsumption. Business stays at a low level for a longer or shorter time. Gradually adjustments take place, and production slowly begins to pick up. Each improvement leads to another until in time business gets back on the average, or what probably might accurately be called the normal, level of production, with which we started. Then the whole process is repeated.

Speculatwe Element

The basic factor in the business cycle is the speculative element in modern business. This, in turn, is due primarily to the fact that the great bulk of production is for an *anticipated future demand.* There is a wide spread of time, and often a wide spread of place also, between the producer and the ultimate consumer. The producer seldom knows with

certainty just what the consumer will want or what he will be willing to pay for it. He has to govern his production by careful estimates if they are possible, or by guesses if they are not. In other words, the element of belief is the controlling factor in production just as it is in all human conduct. Only here the conduct which arises from the belief and the realities against which the belief will eventually be checked up are far removed from each other. The difference between successful and unsuccessful business men lies largely in the skill and accuracy with which they can gauge a future demand. Even when the producer turns out goods on contract it usually means that he has simply shifted the risk to some one else. Only a small part of modern production is carried out on contract with the final consumer, who is the ultimate factor in determining value, demand, and maximum price. It is very seldom that the producer can work out his estimates of future demand altogether independently. His beliefs on the matter are affected largely by other men's beliefs, ideas, and estimates. Business forecasting becomes a social matter. This explains why the feelings of stability, optimism, consternation, pessimism, and reviving hope sweep in successive waves over the whole community. It is an example of what is sometimes called the "social mind" at work. Cyclical unemployment, accordingly, is simply the labor side of the business cycle.

Treatment

When we come to consider the problem of treating unemployment, we are impressed with the tremendous difficulty of correcting human ills which are strictly social in their origin. The only way really to cure or prevent them is to get at the causes. The causes

are social conditions, and it is a gigantic task to change social conditions to fit any definite plan, no matter how wisely made. If unemployment were due to personal characteristics, it might be possible nearly to eliminate it by methods of education, hygiene and sanitation, physical development, and appeal to the reason and will. Of course for the individual who is out of work, or liable to be thrown out of work, it is an excellent thing for him to try to improve his personal efficiency by every possible means, for, as we have seen, it is on the whole the less efficient workers who actually experience unemployment. But this will not at all relieve the situation from the point of view of society. It is one of numerous instances where what is a perfectly good personal remedy for an evil is no remedy at all from the social point of view. It is like attempting to give a concert which will attract 1200 persons in a hall which will seat only 1000. The remedy for you and me, of course, is to go early. But that does not solve the problem at all, and if everybody adopts that device nobody is benefited, and a lot of time is wasted. The only real remedy is to hire a larger hall — or a poorer singer. So in a society where there is an excess of labor over the demand, improving the industrial qualities of individual laborers does not meet the situation in the least. It simply makes a difference as to who is unemployed. And when it comes to removing the causes, the difficulties are enough to discourage the most determined. We certainly can not change the seasons. Nor is it easy to alter the fashion habits of a whole community. Some relief can be secured from wise measures like the Christmas "Shop Early" campaign and the "White Sales" which follow New Year's. The prospect of altering the great

economic factors which enter into the situation also seems almost hopeless. The facts that ownership has become a specialized economic function, that the owner of the business owns the finished product, that the control of business lies with the owner, that production is carried on for the sake of individual profit, that most production is for an anticipated future demand, that the processes of production are becoming constantly more extended in time and space, and that consequently the element of expectation in business is becoming steadily more important — all these facts are intimately bound up in our whole economic system. They are emphatically normal. To change one without changing the others harmoniously is almost certain to disorganize the whole system and produce indefinite injury. And to change them all together is a superhuman undertaking. What the possibilities are in solving problems of this kind we shall consider in the next chapter.

Labor Shortage

The reverse of unemployment is what is called a *labor shortage*. Two kinds of labor shortage are possible. The first is a condition in a community where there is actually not enough man power to do the work that the community needs to have done. This could be true only of a community which had an exceptionally large proportion of very old and very young persons, or of persons who were physically or mentally incapable of working, that is, who belonged to the personally unemployable class. Such a condition is unknown under ordinary circumstances, though it may exist in a country which has just gone through a very destructive war in the course of which a high proportion of its able-bodied men have been killed and others crippled. The other kind

of labor shortage results when the supply of labor in the industrial market falls short of the demand. This is the situation to which the term usually refers, particularly in the United States. In this kind of labor shortage it is evident that price is the determining factor, just as it is in almost all relations of supply and demand. Every such labor shortage is a shortage *at a given price*. Every such shortage could be removed by raising the price high enough. If you recall what was said about the nature of the supply of labor, it will be clear that if the wage is high enough, some independent producers will leave their own businesses and sell their services, some persons who are voluntarily idle will enter the ranks of labor, even some managers will prefer to become wage earners. Why then is not a labor shortage corrected in this way? The answer is found in the nature of the demand for labor already explained. The demand for labor comes from those who wish to make profits by applying labor to the other factors of production which they own or control. They are not willing to raise wages to the point where their profits are seriously curtailed. There would be no purpose in raising them so high that profits disappeared altogether. If the community at large is actually suffering from the dearth of labor, employers can raise prices enough to provide for the necessary increases in wages, and so make the community pay the bill, as it should. If the cost of correcting a labor shortage by raising wages can not be passed on to the community through increased prices, it is safe to conclude that there is no real shortage of labor at all in the community sense. It is a shortage which interferes with nothing except increased profits of owners. Sometimes the raise in wages necessary to end the labor shortage does

not reduce profits because of the increase in efficiency which comes with better wages.

There is clearly a radical difference in significance between unemployment and a labor shortage. One is a question of men; the other, of wealth. In a certain sense unemployment could be corrected by lowering the price just as a labor shortage could be corrected by raising the price. The difference lies in the interests which are threatened in the two cases. A lowering in wages threatens the happiness, health, and even the life of a large majority of the population. There is a limit fixed by Nature below which it can not go — the limit of subsistence of the human animal. A raising of wages threatens first of all the profits of owners, who as a rule belong to the class with adequate incomes. At the worst, it threatens the total supply of consumables of the community at large, and if the community really wants these extra consumables, it ought to be willing to pay an extra price for them. When one remembers that the labor class is composed of those who have no wealth — that is, the poor in the broad sense — one wonders whether a labor shortage is a calamity at all from the community point of view, or whether after all it is not something to be thankful for. Why should we bewail a shortage of the poor? Can you imagine a

Men *vs.* Wealth



The community can not reasonably demand goods for which it will not pay a living wage.

happier state of society than one in which everybody owned enough land and capital to make a living for himself and his family and had enough skill in management to do so, so that no one need sell his labor to any one else? Yet what a clamor about labor shortage would go up from those who happened to have a little more land and capital than they could most profitably utilize by their own efforts!

Test of Normality

The point of view of social science is always that of the human being. Whenever there is a choice between considering men and considering wealth, wealth is put in the background. Wealth is in the end nothing but a means of promoting the happiness and welfare of human beings. It should never be allowed to become a cause of human suffering or loss. The final test of normality is the effect upon human prosperity.

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QUESTIONS

1. What is the first duty of every individual to his community?
2. Explain normality as applied to human society.
3. Distinguish normality from (*a*) custom, (*b*) average, (*c*) ideal.
4. Distinguish the two main divisions of abnormality.
5. Does a society violate evolutionary principles when it prolongs the life and contributes to the comfort of "unfit" individuals? Explain.
6. How would you answer the criticism that a certain benevolent organization spent "too much of its income for administration and not enough for relief?"
7. Why must benevolence be largely organized and impersonal as far as the average giver is concerned in modern societies?
8. Define unemployment.

9. Where does the responsibility for most unemployment lie?

10. What is the relation between personal inefficiency and unemployment in the majority of cases?

11. Distinguish the three main types of unemployment due to non-personal causes.

12. Explain as clearly as possible the causes of chronic unemployment. Show why this at times becomes increased into cyclical unemployment

13 Explain the twofold relation between wages and profits. Which of these aspects receives the most attention? Why?

14. Discuss the possibilities of eliminating unemployment by improving the efficiency of the laborer

15 Describe the situation usually referred to as a "labor shortage" How does this compare with unemployment as an occasion for remedial action by society?

16. Make a list of the charitable, benevolent, or philanthropic organizations in your community, indicating which are supported by government and which by private individuals.

17. Has there been any extensive unemployment in your community in the last few years? In what industries? How was it caused, as far as you can learn?

TOPICS FOR FURTHER STUDY

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CHAPTER XXVII

Social Progress

If the first duty of every member of a community is to do faithfully and well his part in keeping the existing social organization working smoothly, his second duty is to cultivate an interest in the improvement of the organization itself, in other words, the improvement of social conditions. We say "to cultivate an interest" because a keen and intelligent interest is the first requirement for effective action, and such an interest can be cultivated and developed by almost any one who puts his will to it and devotes time and thought and energy to it. Just how far a given individual can go beyond the cultivation of an interest — that is, just what part he may actually take in the work of improving social conditions, depends upon many factors in the individual and in the society. It is the purpose of this chapter to examine some of these in their broad aspects.

Two Sorts of Improvement

There are two chief ways of improving social conditions: first, to correct abnormality and to bring everything as closely as possible into harmony with the normal; second, to raise the normal itself to a higher level. The former of these is much the simpler and easier.

The first step in correcting abnormality is to understand thoroughly just what is normal at the time being in the society concerned. One of the first practical tasks of social science, a task sadly neglected alas! in much sociological

teaching, is to give a clear picture of the normal organization of the society it seeks to serve. Only against such a background can be displayed the conditions which are alleged to be abnormal. Only on such a foundation can be built any successful efforts to correct abnormality. Only on such a basis of knowledge can rest any accurate conception of what is abnormal and what is not. It is just as absurd for any one to try to correct abnormal conditions in society without clearly understanding the normal as it would be for a doctor to try to cure a sick person without any knowledge of what the human body is like when it is healthy. The beginnings of social reform are therefore educational. The ancient injunction "Know thyself" applies to societies as well as to individuals. The first essential for social health and normality in any society is that a basic knowledge of social science should be distributed as widely as possible throughout the adult population.

Correcting Abnormality: *Education*



Scientific treatment requires a knowledge of normal conditions.

The second step in correcting abnormality is to devise a plan of procedure. This, under modern conditions, as has already been suggested, is usually a very technical problem, to be undertaken successfully only by experts, that is, by persons who have gone far beyond the elements in their study of social science and have had experience in its applications. This fact arises out of the complexity and magnitude of the modern social organiza-

Planning

tion of which we have spoken so often. Only a specially trained person can fully understand the relationship of each unit of the social body to the rest or can accurately predict what results will come from setting certain social forces to work or putting certain changes into effect. The second stage in social reform is therefore professional. Social diagnosis and social prescription are to-day highly specialized undertakings. Like it or not as we may, the old days of intimate acquaintanceship and personal touch between the helper and the helped are gone forever. Whether in dealing with poverty, vice, unemployment, graft, crime, or any other social evil the untrained worker can not possibly be effective no matter how high his intelligence nor how noble his motives. The "Lady Bountiful" is out of date. The professional social worker has taken her place.

Engineering

The final step in social reform is putting the plan into effect. Here is where the coöperation of every individual is essential. For this is a question of social movement, or social engineering, and this in turn is a matter of using social forces. The social forces, as we have seen, are the feelings, desires, motives, and wills of individual human beings. The total force which can be counted on for any social movement is the aggregate of the social forces of the individual members of the community. What can be done in a given society depends entirely upon what kind of people compose that society. This is why social education and the cultivation of a social interest are so essential to social reform. There are no social forces outside of individuals, and so the only way to produce a desired social movement is to influence the wills of individuals so as to produce the desired kind of conduct. No one

exercises his will wholly independently of those around him. We are all influenced more or less by the mental activities of our fellow men. Some people have much greater power over the wills of others than other people have. In effect the will of one such person is multiplied by the number of other persons whose wills he can affect or control. Such persons are leaders. The sources of their power over others' wills are various. Their exceptional influence may be due to unusual intelligence or knowledge, to wealth, to political position, to family, or to that indefinite but mighty thing we call "personality." Other persons are natural followers. The instinct of leadership and the instinct of obedience are parts of the fundamental equipment of the human animal. Some have more of one; some, more of the other. Both are essential to social welfare. Thus every great social movement that is in any sense deliberate or rational revolves around a few outstanding individuals. There are also great currents of social change which seem to go on by their own momentum, without any definite guidance. These are often of great importance in producing changes in the folkways. They are not always rational and are often hard to either explain or justify. But we are here concerned with social movements which are deliberate and purposeful, which come about with the knowledge and intent of the members of the community itself.

However great the power of the leader, he can produce social results only by affecting the operation of a multitude of independent wills. This is not merely a matter of majority rule in a democratic state. It is much more. Even the most despotic ruler governs through the wills of his sub-

jects. They may feel that they are acting against their will. But if they act independently at all, their wills have been influenced by some means, even if it is nothing higher than fear. Even if the ruler uses actual physical force, the wills of his obedient servitors are called upon to apply that force. The point of all this discussion is that the feelings, motives, and will of every single member of society are of some significance. They are forces, and no force is ever lost in society any more than it is in the material world. Whatever each of us does has some effect, and this in turn becomes a cause of some further fact. The chain of causation is unbroken in society just as truly as it is in the realm of physics or chemistry.

Available Forces

The art of influencing the feelings, desires, and wills of masses of people has accordingly come to be of the highest importance. It was seen in operation with unusual clearness during the Great War under the name of *propaganda*, a word which has unfortunately come to have an evil significance. Propaganda in the broadest sense, that is, the art of influencing public feeling and public opinion and therefore public action, is absolutely essential to any purposeful social movement or any intelligent control by human beings over the course of their own social evolution. The only question is as to the purpose for which the propaganda is used and the honesty of the methods. All advertising, for whatever purpose, is a form of propaganda. It is an effort to affect the conduct of masses of people by influencing their desires and wills.

Propaganda

The removal of abnormalities in a society by the deliberate methods of social reform requires a few experts who

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Available Forces

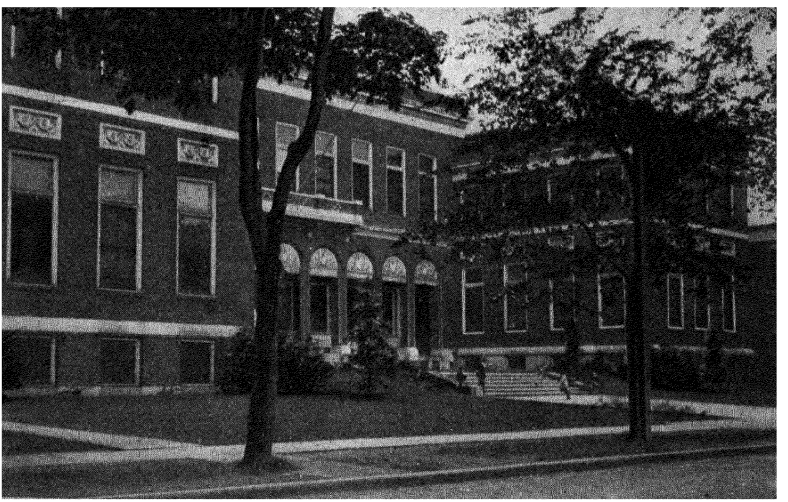
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Propaganda

The removal of abnormalities in a society by the deliberate methods of social reform requires a few experts who

understand the situation thoroughly and can tell what ought to be done, a small group of leaders who can influence the mass of the community and cause them to accept the conclusions of the experts and to desire to put them into effect, and a general public with sufficient education in social science to be

Leaders and Followers



An example of altruism is this free dental dispensary, the only one of its kind, given by a wealthy citizen to the city of Rochester.

able to pass intelligent judgment on various social proposals, sufficient faith to follow leaders whom they have reason to trust, and sufficient altruism and social outlook to make them really interested in improving conditions in their own society. It makes no difference what the problem is, improvement in criminal procedure, the regulation of immigration, the prevention of coal strikes, or the establishment of fair railroad rates — this general equipment is necessary for

the maintenance of normality, and any society which possesses this equipment need have no fear of suffering from destructive abnormalities.

Raising the Normal

But this is only part of the problem of social progress. There remains the great task of raising normality itself to a higher level. This is the task of social progress strictly speaking, as contrasted with the task of social reform. Since social reform is a matter of keeping things in conformity to a standard, or



Photo by Ewing Galloway

East Side children dining at the Hotel Astor as guests of Mozart Society.

"norm," a society that concerned itself with nothing but reform would tend to be "static," that is, to stand still. All its institutions and folkways would tend to become rigid and conventionalized. Conservatism would be the dominating philosophy of life. The struggle for normality

has its dangers if it is not balanced by something broader. This something must be a desire for genuine progress.

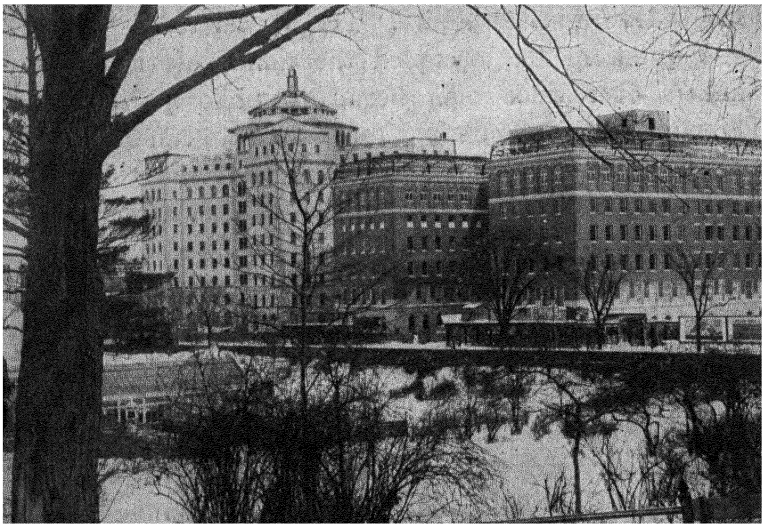
Happiness, the Test of Progress

But the movement for progress must also have its touchstone, its final test of value. What is progress? Toward what should we seek to move? What is a higher plane of normality? What is high and what is low in social affairs? The answer to these questions has occupied the minds of the greatest thinkers ever since man began to philosophize at all. Through all their ponderings there seems to run one central idea — the happiness of human beings. And this would seem to be enough, if taken in its broadest sense. What better goal of social effort could there be than human happiness, provided it is the happiness of all mankind? What higher end can the individual seek in his activities than happiness, provided he is at least as much interested in the happiness of other people as in his own? All intelligent self-seeking aims at one's own happiness; all morality aims at the happiness of others. Every social movement, therefore, which tends to promote human happiness is progress. All plans for social progress must have happiness in view.

Idealization

But how can social progress be promoted? What can the individual do to help it along? Here again there must be a plan. But the plan in this case is not a plan for bringing something into conformity with a norm which can be seen with relative ease. It is a plan for changing the norm itself. The standards of normality may be understood by studying society as it is. The goals of progress can be visualized only by thinking of a society different from that which is. Such a vision is what we call

an *ideal*, a conception of something better than that which exists. The process of constructing such visions, or *idealization*, is an absolute essential for deliberate social progress just as it is for great achievement in any other field. The great artist has an ideal of his masterpiece before he begins



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Fifth Avenue Hospital and Heckscher Foundation,—realized ideals.

to paint or chisel. The architect who is not content to be merely a copyist has a vision and draws plans of a building different from any that has ever existed. The plant or animal breeder conceives of an ideal type which he would like to develop and goes to work to create it. So the artists in social engineering are always thinking of different forms of society which would be better than those which exist.

It should be clearly understood that the conformity on which we have laid so much stress as an element in social

order and stability is essentially conformity of conduct, not of thought. Freedom of thought is of the greatest importance; it is indispensable to social progress. So also is the opportunity for the free expression of thought. Yet here we meet a very delicate and complicated problem. The expression of thought, whether orally or in writing, is itself conduct, and may lead to non-conformist conduct on a large scale. So communities whose institutions are not firmly grounded in social justice are characteristically afraid of free thought and try to prevent its expression — they would prevent the thought itself if they could. Generally speaking, however, societies have much more to fear from the scarcity and narrowness of free thought than from its variety and daring, and a truly democratic society is in little danger from the fullest expression of the free thinking of its members. Much more is to be gained from its encouragement than from its repression.

Practicability

But an ideal is of no value unless it has a *possibility* realization. It is because so few ideals have any such possibility that the word itself has come to have the meaning of impracticability which it so often conveys. But there are practicable ideals as well as unpracticable ones. Only the practicable ones, of course, have any value from the point of view of social progress. Unfortunately, the realization of even the most practicable social ideal is a matter of stupendous difficulty. Since it involves a change in normality itself, it may require a harmonious alteration of many of the basic relationships of society. Any of us can construct a host of ideals of a future state of society better than the present. We can think of a society where there is no poverty, no

unemployment, where production is for social service and not for personal profit, where men and women have equal social and political rights, and where there are no wide gulfs between the different social classes or, better still, where there are no social classes at all. But the attempt to start a movement for the realization of any one of these ideals develops obstacles enough to discourage any but the most venturesome or the most foolhardy. To take a single example already referred to. It would be ideal if no child had to go to work for wages before he was eighteen. All right; why not pass a law prohibiting such employment? But there are many families who are dependent on the earnings of children under eighteen. What is to be done about them? Are they to go hungry? There are many important industries which employ large numbers of children under eighteen. Where are they to get the extra labor? If the children now at work and released under the proposed plan are not to be idle, they must go to school. Where are all the new school buildings and additional teachers to come from? Our school system is crowded enough as it is. Many of the children now at work have not the mentality to go on with the regular school program. What is to be done about them? Yet the proposed change is relatively a very simple ideal. Many people regard it as a highly practicable one. Some influential leaders are already working in that direction. If a simple ideal like this involves so many complications, what shall we think of the more ambitious ones?

Yet social progress goes on and is yearly becoming more intelligent and deliberate. Men are steadily learning more and more about how to control the forces of their own

social evolution. Social science is rapidly developing its applied branches and arts just as the physical sciences are, and along the same general lines as those sciences. The process is the same in every science, an exhaustive observation and study of the facts, a classification of these facts into an orderly body of knowledge, a resulting understanding of the forces at work and a formulation of a set of laws stating how they work, and finally the application of those laws to the ends that the science is fitted to serve and the development of a technique for the deliberate control of the forces.

Scientific Method

For most of us the most important thing is to realize that the forces which are the heart of the whole matter lie within us. Nothing can be done without us, and everything that is done must be done through us. The extent to which social movements may be wise and purposeful and in the direction of social progress depends upon the extent to which we are prepared by education and by a cultivated social interest to respond to the suggestions and follow the guidance of those who are equipped to be the leaders of social movements. We must remember that single individuals, no matter how great and wise and good they may be, can never be more than leaders. A leader can do nothing unless he has followers. The leaders understand social forces, but they can do nothing unless the social forces respond, and that depends upon the will of each one of us. Those of us who become leaders ourselves will be all the more able to understand how much depends on the followers.

Individual Service

In attempting to do our part in this program we must remember that not all change is good, and yet that some

change is necessary. Change is bound to come, and it rests largely with us whether it will be useful and purposeful change or aimless and destructive change. We must remember that not all that is and has been is good; that nevertheless the existing institutions are the product of a long process of social evolution: and that the fact that they have withstood the practical tests of experience gives them a great weight of authority. Toward proposed changes we must try to take an impartial attitude, as far removed as possible from our own personal interests. We must try to judge them on the basis of reason and by the test of their probable effect on the happiness of mankind at large. We must be cautious not to add our support to an ideal which is not accompanied by good evidence of its practicability, but we must avoid rejecting all ideals just because they are unfamiliar. In brief, we must try to strike a just balance between conservatism and radicalism, between stability and progress, between independence of thought and response to leadership, which is the hardest thing in the world to do but which is well worth a lifetime of trying.

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QUESTIONS

1. What is the second great duty of every individual to his community?
2. What preparation is necessary for one who wishes to work for the elimination of abnormality in his community?
3. Why is social work rapidly becoming a specialized profession?

4. What part can the citizen who is not a trained social worker take in the task of social reform?

5. Explain why leaders and followers are both necessary for social progress.

6. How may the validity of a reform program be tested?

7. What is "idealization"? Explain its utility.

8. Who are some of the professional social workers in your community? What work is each doing?

9. Pick out one or two normal features of the social organization of your community which seem undesirable. Think out a plan of improvement. Try to determine how many other features of the social organization would be affected, and in what ways, if your plan were put into effect.

TOPICS FOR FURTHER STUDY

The idea of social progress (Todd, Arthur J., *Theories of Social Progress*, Chapter VI. Ellwood, Charles A., *Sociology in Its Psychological Aspects*, Chapter XVIII Keller, Albert G., *Social Evolution*, pages 8, 9, 149, 161, 247, 248.)

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