

J. A. SCFCE

Reprinted from THE FORUM, March, 1894

THE
PROGRAMME
OF
THE NATIONALISTS

2

BY

EDWARD BELLAMY

PUBLISHED BY THE

BUREAU OF NATIONALIST LITERATURE

B. FRANKLIN HUNTER

1100 PINE STREET

PHILADELPHIA, PA.

[1894]

(01)

R.E.P.

THE PROGRAMME OF THE NATIONALISTS.

I HAVE been asked to give some account of Nationalism, with a statement of its programme and of the first steps to be taken in the logical development of the plan, with especial reference to America, though it is of course to be observed that the economic situation in the United States differs from that in older nations only in the suddenness with which oppressive conditions have been developed which in Europe are of ancient standing.

Nationalism is economic democracy. It proposes to deliver society from the rule of the rich, and to establish economic equality by the application of the democratic formula to the production and distribution of wealth. It aims to put an end to the present irresponsible control of the economic interests of the country by capitalists pursuing their private ends, and to replace it by responsible public agencies acting for the general welfare. That is to say, it is proposed to harmonize the industrial and commercial system with the political, by bringing the former under popular government, as the latter has already been brought, to be administered as the political government is, by the equal voice of all for the equal benefit of all. As political democracy seeks to guarantee men against oppression exercised upon them by political forms, so the economic democracy of Nationalism would guarantee them against the much more numerous and grievous oppressions exercised by economic methods. The economic democracy of Nationalism is indeed the corollary and necessary supplement of political democracy, without which the latter must forever fail to secure to a people the equalities and liberties which it promises.

The conditions which justify the present Nationalist agitation, especially in America, may be broadly stated in brief terms.

It is certainly self-evident that the manner of the organization and administration of the economic system which regulates the production and distribution of wealth, whereupon not only the entire welfare but even the bare lives of all depend, is infinitely more important to a people than the manner in which any other part of

their affairs is regulated. The economic system of the United States was formerly, and within the memory of men now living, one which offered a fairly free field to individual enterprise, with some opportunity for all to acquire a comfortable livelihood, if not wealth; and in consequence of this fact, despite many inequalities of condition, a good degree of popular contentment has until recent times prevailed.

By an economic revolution unprecedented in scope and rapidity of movement, these former conditions have been within the time of one generation, and chiefly within twenty years, completely transformed. In place of a field of free competition with a fair opportunity for individual initiative in every direction, our economic system now presents the aspect of a centralized government, or group of governments, administered by great capitalists and combinations of capitalists, who monopolize alike the direction and the profits of the industries of the people.

Although the economic rulers who have thus crushed out individual enterprise in this country control interests incomparably more important to the people than are the functions exercised by the so-called political government, yet, while our political governors hold power only by delegation from the people, and are strictly accountable to them for its exercise, those rulers who administer the economic government of the country, and hold the livelihood of the people in their hands, are not elected or in any way delegated to do so by the people, and admit no accountability to them for the manner in which they exercise their power.

Scorning the decent hypocrisies by which other sovereigns have been wont to cloak their pretensions, the capitalists who have mastered our economic government do not justify their rule by pretending either the divine right of kings, the consent of the governed, or even a benevolent intention toward their subjects. They claim no other title to power than their ability to suppress resistance, and expressly avow personal gain as the sole motive of their policy. In pursuance of this end the administration of the economic government of the country has been so conducted as to concentrate in the hands of an insignificant proportion of the people the bulk of the wealth which must furnish the general means of subsistence.

Fifty years ago, when, with the application of steam to machinery, the power of capital relatively to labor was suddenly multiplied, this country was held to be the ideal democracy of history on account of the prevailing equality in the distribution of

wealth, and the general contentment and public spirit on the part of the people consequent thereon. At the present time 31,000 men are reputed to possess one-half of the wealth upon which 85,000,000 persons depend for existence, and the greater part of the other half is owned by a small additional fraction of the population, leaving the vast numerical majority of the nation without any considerable stake in the country. By the latest estimates, based upon the returns of the census of 1890, 9 per cent of the population of the United States owns 71 per cent of the wealth of the country, leaving but 29 per cent to the remaining 91 per cent of the population; and 4,074 persons or families, being the richest group among the 9 per cent mentioned, own one-fifth of the total wealth of the country, or nearly as much as the aggregate holdings of 91 per cent of the people.

History records no expropriation of a nation so complete as this, effected within so short a time, since the ages when military conquest meant the wholesale confiscation of the goods and persons of the conquered people. The populations of Europe, indeed, groan under similar conditions, but with them they are the heritage of passages, not, as in America, the result of an economic revolution effected within one lifetime.

This draining of the nation's wealth to enrich a potty class has produced extraordinary social changes and portends more disastrous ones. Our farming population, constituting the bulk of the people, and in the past the most prosperous and contented portion, the main support of the republic in peace and war, has been converted by intolerable economic pressure, and the prospect of being reduced to the condition of a peasantry, into the most revolutionary class in the nation. The transformation in the condition of the artisans has not been less disastrous. With the consolidation of capital in vast masses under corporate management, all that was humane in the relation of employer and employed has disappeared, and mutual suspicion and hatred and an attitude of organized hostility have taken their place. It has become the chief function of the militia to overawe strikers and suppress the disturbances of discontented workmen. We are being taught by object-lessons of startling frequency that our industrial system, like the political systems of Europe, rests, in the end, upon the bayonet. The old-world caste distinctions of upper, lower, and middle classes,—terms abhorrent to our fathers,—are being rapidly adopted among us, and mark only too justly the disintegration of

our once integral and coherent communities into mutually embittered elements which the iron bands of political despotism will soon be needed to hold together in a State.

In view of this situation, which has resulted from the conquest and exploitation of our economic system by an irresponsible and despotic oligarchy, Nationalists maintain that if the people of the United States would retain any part of the high estate of equality, liberty, and material welfare which formerly made them the world's envy, it is full time for them, in the exercise of their supreme power over governments and institutions, to make an end of the usurpation which has so imperilled their condition, and to establish in its place a new system of economic administration, "laying its foundation in such principles, and organizing its powers in such form, as shall to them seem most likely to effect their safety and happiness."

What sort of an industrial and economic government shall the people establish in place of the present irresponsible rule of the rich? The question answers itself to a certain extent; for, if the people establish the government, manifestly it must be a popular government. But another question remains. Shall this government be exercised by the people individually or collectively? Shall we seek to restore the state of things which existed half a century and more ago, when independent individual enterprise was the rule in every field of industry and commerce, and a hundred competitive concerns did the business now attended to by one? Even if it were desirable to bring back that era, it would be as much out of the question as to restore the virgin continent, the boundless resources, the unoccupied lands, and the other material conditions that made it possible.

The industrial system that is to employ and maintain our dense population, under the present and future conditions of the country, must be a systematized, centralized, interlocking economic organization of the highest efficiency. It is a physical impossibility to restore to the people, as individuals, the government of their economic interests; but it is feasible to bring it under their collective control, and that is the only possible alternative to economic oligarchy or, as it is called, plutocracy. This is the programme of Nationalism. We hold that the industrial system of a nation, like its political system, ought to be a government of the people, by the people, for the people, and for all of them equally. To that end we desire to see organized as public business all the industrial and commercial affairs of the people, so that they may be carried on henceforth, like

all other public business, by responsible public agents, for the equal benefit of the citizens.

This plan is called Nationalism because it proceeds by the nationalization of industries, including, as minor applications of the same principle, the municipalization and State control of localized businesses.

Socialism implies the socializing of industry. This may or may not be based upon the national organism, and may or may not imply economic equality. As compared with socialism, Nationalism is a definition not in the sense of opposition or exclusion, but of a precision rendered necessary by a cloud of vague and disputed implications historically attached to the former word.

Perhaps the most common objection to the plan of nationalizing industry and carrying it on as public business is that it will involve more government. It is not so. Nationalization will simply substitute one sort of government for another. The industrial system which has grown up in the United States is, as we have shown, a government of the most rigid and despotic sort. In place of the irresponsible masters who now rule the economic interests of the people with a rod of iron, Nationalism will substitute popular self-government. Thomas Jefferson is quoted as saying that the government that governs least is best. This is a true maxim, and the government that governs least is self-government. That was what the signers of the American Declaration of Independence thought when they insisted on setting up a government of their own in spite of King George's willingness to manage their affairs for them. That is what Nationalists think in advocating popular government of the people's industrial interests in place of the present economic oligarchy.

It will tend to a clear understanding of the programme of Nationalism if we distinguish carefully between the features of the plan considered as fully carried out, and as in process of introduction. Many of the most certain and necessary consequences of Nationalism when fully carried out, must remain till then quite impracticable. Among these is the principle of the indefeasible economic equality of all citizens, without regard, of course, to sex.

Economic equality is the obvious corollary of political equality as soon as the economic system is democratized. Quite apart from ethical considerations in its favor, it follows, as a matter of course, from the equal voice of all in determining the method of distribution. Whatever a democratic State undertakes must be undertaken

THE PROGRAMME OF THE NATIONALISTS.

for the common—that is the equal—benefit of all. The European socialists, or a large part of them, do not insist upon economic equality, but allow economic variations in the ideal State. This is because they do not, like the Nationalists, deduce their conclusions by the rigid application of the democratic idea to the economic system. But while economic equality is the keystone of Nationalism, it must wait till the nation has fully organized its productive system. The arch must be finished before the keystone is placed, though after it is placed the stability of the arch depends upon it.

While Nationalists recognize as legitimate the demand for something definite in the way of a programme from a party of radical reform, it is not to be inferred that they pretend to forecast with exactness the course of events. Great revolutions, however peaceful they may be, do not follow prearranged plans, but make channels for themselves of which we may at best predict the general direction and outcome. Meanwhile Nationalists would prepare the way by a step-by-step extension of the public conduct of business, which shall go as fast or as slow as public opinion may determine.

In making any industry or service public business, two ends should be kept equally in view, viz: first, the benefit of the public by more cheap, efficient, and honest service or commodities; and second, but as an end in every way equally important, the immediate amelioration of the condition of workers taken over from private into public service. As to the first point, whenever a service or business is taken over to be publicly conducted, it should be managed strictly at cost; that is to say, the service or product should be furnished at the lowest cost that will pay the expense and proper charges of the business. Nationalism contemplates making all production for use and not for profit, and every nationalized business should be a step in that direction by eliminating profit so far as it is concerned.

As to the improvement in the condition of the workers, which is the other and equal end to be sought in all cases of nationalizing a business, it is enough to say that the State should show itself the model employer. Moderate hours of labor, healthful and safe conditions, with provision for sickness, accident, and old age, and a system for the admission, promotion, and discharge of employees strictly based on merit, and absolutely exclusive of all capricious personal interference for political or other reasons, should characterize all publicly conducted business from the start. In particular cases, such as the

THE PROGRAMME OF THE NATIONALISTS.

9

clothing manufacture now so largely carried on by sweaters' slaves, decent wages and conditions might temporarily raise the price of ready-made clothing. If it did, it would only show how necessary it had been to make the business a State monopoly; and we may add that, on grounds of humanity, this is one of the first that should be brought under public management.

As to the general question as to the order in which different branches of business should be nationalized, or (which is the same thing) brought under municipal or State control, ownership, and operation, Nationalists generally agree that chartered businesses of all sorts, which, as holding public franchises, are already quasi-public services, should first receive attention. Under this head come telegraphs and telephones, railroads both local and general, municipal lighting, water-works, ferries, and the like. The railroads alone employ some 800,000 men, and the employees in the other businesses mentioned may raise that figure to 1,000,000, representing perhaps a total population of 4,000,000; certainly a rather big slice of the nation to begin with. These businesses would carry with them others. For example, the railroads are the largest consumers of iron and steel, and national operation of them would naturally carry with it the national operation of the larger part of the iron business. There are about 500,000 ironworkers in the country, implying a population of perhaps 2,000,000 dependent on the industry, and making, with the railroad and other employees and their dependents, some 6,000,000 persons. The same logic would apply to the mining of coal, with which, as carrier and chief consumer, the railroads are as closely identified.

The necessity of preserving what is left of our forests will soon force all the States to go into the forestry business, which may well be the beginning of public operation of the lumber industry. If our fast-vanishing fisheries are to be protected, not merely national supervision, but national operation, will soon be necessary.

In the field of general business, the trusts and syndicates which have so largely stimulated the popular demand for Nationalism have also greatly simplified its progress. Whenever the managers of any department of industry or commerce have, in defiance of law and public interest, formed a monopoly, what is more just and proper than that the people themselves, through their agents, should take up and conduct the business in question at cost? In view of the fact that most of the leading branches of production have now been "syndi-

cated," it will be seen that this suggestion, fully carried out, would go far toward completing the plan of Nationalization.

Meanwhile the same process would be going on upon other lines. Foreign governments which have large armies, in order to secure quality and cheapness, usually manufacture their soldiers' clothing, rations, and various supplies in government factories. The British government, which is most like our own, was forced by the swindling of contractors to go into making clothing for the soldiers in the Crimean War, and has since kept it up with most admirable results. If our government had manufactured the soldiers' supplies in the Civil War, it would have saved a vast sum of money. It is highly desirable that it should forthwith begin to manufacture clothing and other necessities for its soldiers and sailors, and for any other of its employees who might choose to be so served, as it is safe to say all would; for goods as represented, proof against adulteration, and furnished at cost, would be a godsend even to a millionaire in these days of knavish trade. This policy of supplying the needs of government employees with the product of publicly conducted industries would bring about the whole productive and distributive plan of Nationalism in proportion as the number of employees increased.

Among special lines of business which ought at once to be brought under public management are the liquor traffic and fire- and life-insurance. It is proposed that every State should immediately monopolize the liquor traffic within its borders, and open places of sale in such localities as desire them. The liquors should be sold at cost,—that is to say, at rates to pay all expenses of the system,—by State agents, whose compensation should be fixed without relation, direct or indirect, to the amount of sales. This plan would eliminate desire of profit as a motive to stimulate sales, would ensure a strict regard to all conditions and requirements of law, and would guarantee pure liquors. Pending the nationalization of the manufacture of liquors, the general government need be called on only for a transportation law protecting the States against illegal deliveries within their borders.

As to State life- and fire-insurance, this undertaking would need no plant and no backing save the State's credit on long-tested calculations of risks. It would be done at cost, in State buildings, by low-salaried officials, and without any sort of competitive or advertising expenses. This would mean a saving to fire-insurers of at least 25 per cent in premiums, and of at least 50 per cent to life-insurers,

and would, above all, give insurance that was not itself in need of being reinsured.

When private plants are taken over by a city, state, or nation, they should of course be paid for; the basis of valuation being the present cost of a plant of equal utility. Of course this subject of compensation should be considered in view of the fact that the ultimate effect of Nationalism will be the extinction of all economic superiorities, however derived.

The organization of the unemployed on a basis of State-supervised cooperation is an urgent undertaking in line with the programme of Nationalism. The unemployed represent a labor force which only lacks organization to be abundantly self-sustaining. It is the duty and interest of the State to so organize the unemployed, according to their several trades and aptitudes,—the women workers as well as the men,—that their support shall be provided for out of their own product, which should not go upon the market for sale, but be wholly consumed within the circle of the producers, thus in no way deranging outside prices or wages. This plan contemplates the unemployed problem as being a permanent one, with periods of special aggravation, and as therefore demanding for its solution a permanent and elastic provision for a circle of production and consumption complete in itself and independent of the commercial system. There is no other method for dealing with the unemployed problem which does not mock it.

In proportion as the industries, commerce, and general business of the country are publicly organized, the sources of the power and means of the growth of the plutocracy, which depend upon the control and revenues of industry, will be undermined and cut off. In the same measure, obviously, the regulation of the employment of the people and the means of providing for their maintenance will pass under their collective control. To complete the plan of Nationalism by carrying out its guarantee of equal maintenance to all, with employment according to fitness, will require only a process of systematization and equalizing of conditions under an already unified administration.

The work of Nationalists has hitherto been chiefly educational. This must necessarily have been the case from the magnitude of the scheme, requiring, as it does, something like national acceptance for the undertaking of its larger features. In the department, especially, of local public services, such as water-works, lighting, transit, and

the like, something like a wave of feeling in favor of the municipalisation of such undertakings has within three years swept over the country, and, far from subsiding, is swelling into a tide. In nearly every progressive community there has sprung up within a few years a more or less strong nucleus of citizens which meets every fresh oppression of chartered corporations with the demand for public operation. The insolent taunt of entrenched monopoly—"What are you going to do about it?"—no longer strikes the people dumb. An answer is on every lip, and it is—Nationalism! The sudden recent advance to the first rank among the topics of the day, in the news and periodical press, of the questions of the public operation of commerce and business as a remedy for capitalistic abuse, is of course the best general evidence of the extent to which the public mind is occupied with this subject.

Doubtless, however, the most startling single demonstration of the rapidity and solidity of the growth of Nationalism is the fact that in the Presidential campaign of 1892 more than one million votes were polled for the People's Party, the platform of which embodied the most important features of the immediate Nationalist programme as above stated. That even this platform was not radical enough to satisfy a large portion of the party and its sympathizers, has been made evident by the far more advanced ground taken subsequently by State and local conventions, by the great labor organizations in their national and local assemblies, and by the Farmers' Alliances. Indeed the statement may be safely made, that, so far as the economic and industrial discontent in this country has hitherto found definite expression, it has taken the form of demands for the more or less complete application of the nationalization idea to business. This is simply because there is found to be, upon examination, no other way out.

Persons whose minds are first directed to Nationalism often miss the point by failing to see that it is inevitable, as the only alternative of plutocracy, if the latter is not to triumph. Such persons are wont to regard the nationalization or public conduct of industry as merely one economic device, among many, to be compared with the rest as more or less attractive or ingenious. They fail to perceive that it is the necessary and only method by which a solution of the economic question can be secured which shall be democratic in character. Many who sincerely believe—or think they do—in popular government and the democratic idea as a general principle, would

doubtless see this question differently if they took time to consider that by the very meaning of the terms the public management of industry is the substitution of popular for class and personal government, and that in opposing it they stand squarely against the democratic idea and in favor of oligarchical rule in the most extensive and important department of human interests.

There are two principles on which the blended affairs of human beings in society may be regulated: Government by all for all, and Government by a few for a few. The time is at hand when it is to be determined whether the one principle or the other shall henceforth regulate the organization of human labor and the distribution of its fruits. The countless past combats in the immemorial struggle of the many against the few, whether for personal, religious, or political liberty, have but cleared the way and led up to this all-embracing, all-concluding issue, now being joined the world over. It is the decisive battle to which all the former engagements were but preliminary skirmishes.

Not in many ages, surely,—perhaps never,—have men and women, during their brief probations on earth, had an opportunity to make so momentous a mistake as those will who take the wrong side in this battle.

EDWARD BELLAMY.

Mr. Bellamy's doctrine is presented in his well-known book "Looking Backward." Articles on the subject have appeared in THE FORUM, October, 1890, and in the "Contemporary Review," London, July, 1890.