TO

E. F. K.
PREFACE

The Industrial World is passing through a stage of acute unrest. The situation has not developed suddenly, nor was it unexpected by those who know what has been going on quietly for some years past.

Pamphlets and leaflets dealing with industrial questions, wages, employment, profits, the wrongs of the workers, the oppression of the employers, have been written by men having a grievance against society, or in some cases by clever men eager to lead their readers astray, and to do so of set purpose. These publications have had a wide circulation among the working classes. Many of them are written in an interesting form, and contain half-truths speciously dressed up to resemble facts. They have gradually worked their way, until having for the most part been left uncontradicted, hundreds of working men have accepted their teachings as proved. And now the seed having been sown, the reaping of the whirlwind has commenced.

The object of this little book is to draw attention to some points of special interest at the present moment. It is by no means too late for the back-
bone of the industrial army to adopt an attitude on economic questions which will make for evolution and progress instead of revolution and disaster. The chief mischief is wrought by ignorance, or by a partial consideration of the natural laws which regulate the industrial sphere. The economists of the early nineteenth century made the mistake of concentrating too much on the production of wealth. Then arose theorists who showed the economist his error, and it was made plain, that not only how to produce wealth to the best advantage and in the greatest amount should be studied, but how wealth when produced should be distributed among the factors co-operating in its production. Unhappily extremists have fallen into the error of concentrating their attention on the question of distribution; and this has led to what is called the *ca’ canny policy*. Some leaders ignore the fact that labour of all grades is paid out of what it produces, not out of some existing fund. Rising prices are due to a great extent to the fact that with higher wages and shorter hours there is a smaller output per unit, to some extent caused either directly or indirectly by this policy. Under such circumstances higher wages cannot benefit the working man. What is needed at the present moment is that all ranks in the industrial army should be equally well versed in the economic laws which regulate, not only
the production of wealth, but also its distribution and its consumption. Until this comes about society will continue to grope in the dark, and there will be not only unrest, but the possibility of worse things.

It is a most hopeful sign that the more serious sections of the working classes are striving after a real knowledge of economic laws and their working.

I would take this opportunity to thank Mr W. J. Davis, President of the Trade Union Congress, for his ready permission to print the speeches of the French and German Delegates at the Manchester meeting. These speeches speak for themselves. May the time never come when English working men as a body shall accept the opinion that the advancement of their interests depends on a warfare between wage-earners on the one hand and the employing-class and the State on the other! The acceptance of such teaching can only lead to one result—disaster.

A. W. K.

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