economic anarchy, to the degradation of the working man and his family, to the growth of vice and idleness among the wealthy classes and their dependants, to bad and in­artistic workmanship, and to adulteration in all its forms; and that it is tending more and more to separate society into two classes,—wealthy millionaires confronted with an enormous mass of proletarians,—the issue out of which must either be socialism or social ruin. To avoid all these evils and to secure a more equitable distribution of the means and appliances of happiness, the socialists propose that land and capital, which are the requisites of labour and the sources of all wealth and culture, should become the property of society, and be managed by it for the general good. In thus maintaining that society should assume the management of industry and secure an equit­able distribution of its fruits socialists are agreed, but in the most important points of detail they differ very greatly.

They differ as to the form society will take in carrying out the socialist programme, as to the relation of local bodies to the central government, and whether there is to be any central government, or any government at all in the ordinary sense of the word, as to the influence of the national idea in the society of the future, &c. They differ also as to what should be regarded as an “equitable” system of distribution. The school of Saint-Simon advo­cated a social hierarchy in which every man should be placed according to his capacity and rewarded according to his works. In the communities of Fourier the minimum of subsistence was to be guaranteed to each out of the common gain, the remainder to be divided between labour, capital, and talent,—five-twelfths going to the first, four- twelfths to the second, and three-twelfths to the third. At the revolution of 1848 Louis Blanc proposed that remu­neration should be equal for all members of his *social workshops.* In the programme drawn up by the united social democrats of Germany (Gotha, 1875) it is provided that all shall enjoy the results of labour “ according to their reasonable wants,” all of course being bound to work. It is needless to say also that the theories of socialism have been held in connexion with the most varying opinions in philosophy and religion. A great deal of the historic socialism has been regarded as a necessary implicate of idealism. Most of the prevailing socialism of the day is based on the frankest and most outspoken revolutionary materialism. On the other hand, many socialists hold that their system is a necessary outcome of Christianity, that socialism and Christianity are essen­tial the one to the other ; and it should be said that the ethics of socialism are closely akin to the ethics of Chris­tianity, if not identical with them.

Still it should be insisted that the basis of socialism is economic, involving a fundamental change in the relation of labour to land and capital,—a change which will largely affect production, but will entirely revolu­tionize the existing system of distribution. But, while its basis is economic, socialism implies and carries with it a change in the political, ethical, technical, and artistic arrangements and institutions of society which would con­stitute a revolution greater probably than has ever taken place in human history, greater than the transition from the ancient to the mediæval world, or from the latter to the existing order of society. In the first place, such a change generally assumes as its political complement the most thoroughly democratic organization of society. The early socialism of Owen and Saint-Simon was marked by not a little of the autocratic spirit ; but the tendency of the present socialism is more and more to ally itself with the most advanced democracy. So­cialism, in fact, claims to be the economic complement of democracy, maintaining that without a fundamental

economic change political privilege has neither meaning nor value. In the second place, socialism naturally goes with an unselfish or altruistic system of ethics. The most characteristic feature of the old societies was the exploita­tion of the weak by the strong under the systems of slavery, serfdom, and wage-labour. Under the socialistic régime it is the privilege and duty of the strong and talented to use their superior force and richer endowments in the service of their fellow-men without distinction of class or nation or creed. In the third place, socialists maintain that under their system and no other can the highest excellence and beauty be realized in industrial production and in art, whereas under the present system beauty and thoroughness are alike sacrificed to cheapness, which is a necessity of successful competition. Lastly, the socialists refuse to admit that individual happiness or freedom or character would be sacrificed under the social arrangements they propose. They believe that under the present system a free and harmonious development of indi­vidual capacity and happiness is possible only for the privi­leged minority, and that socialism alone can open up a fair opportunity for all. They believe, in short, that there is no opposition whatever between socialism and indi­viduality rightly understood, that these two are comple­ments the one of the other, that in socialism alone may every individual have hope of free development and a full realization of himself.

Having seen, then, how wide a social revolution is implied in the socialistic scheme of reconstruction, let us repeat (1) that the essence of the theory consists in this —associated production with a collective capital with the view to an equitable distribution. In the words of Schaffte, “ the Alpha and Omega of socialism is the trans­formation of private competing capitals into a united collective capital ” *{Quintessenz des Socialismus).* A. Wag­ner’s more elaborate definition of it (in his *Grundlegung')* is entirely in agreement with that of Schäffle. This is the principle on which all the schools of socialism, how­ever opposed otherwise, are at one. Such a system, while insisting on collective capital (including land), is quite consistent with private property in other forms, and with perfect freedom in the use of one’s own share in the equitable distribution of the produce of the associated labour. A thoroughgoing socialism demands that this principle should be applied to the capital and production of the whole world ; only then can it attain to supreme and perfect realization. But a sober-minded socialism will admit that the various intermediate stages in which the principle finds a partial application are so far a true and real development of the socialistic idea. (2) Socialism is both a theory of social evolution and a working force in the history of the 19th century. Some of the most eminent socialists, such as Rodbertus, regard their theory as a pro­phecy concerning the social development of the future rather than as a subject of agitation. In their view socialism is the next stage in the evolution of society, destined after many generations to supersede capitalism, as capitalism displaced feudalism and feudalism succeeded to slavery. Even the majority of the most active socialists consider the question as still in the stage of agitation and propaganda, their present task being that of enlightening the masses until the consummation of the present social development, and the declared bankruptcy of the present social order, shall have delivered the world into their hands. Socialism, therefore, is for the most part a theory affecting the future, more or less remote, and has only to a limited degree gained a real and practical footing in the life of our time. Yet it should not be forgotten that its theories have most powerfully affected all the ablest recent economic writers of Germany, and have even considerably