face of agricultural industry was transformed for the benefit of the majority, if hardly of the whole, by the action of the state. But the result has been a state-aided individualism. The attempt to transform all industries by protection has not been made by the English state in these days. It remains broadly true that, since the English state became more democratic (Reform Acts of 1832, 1867, 1884), its socialism has become more and more of the municipal character. The end in view having more to do with economics than with politics, it mattered little theoretically whether the power exercised was that of the central authority acting directly or the delegated power in the hands of the smaller public bodies.

This has been the course of events in England with little conscious theory or principle on the part of the people or even of its leaders. It is certainly a partial fulfilment of the aspirations of those whose theory or principle is socialism. The most important form of modern socialism, which may be called for convenience “ social democratic” socialism, is founded on economic theory more or less clearly understood; it is therefore often described as economic or scientific socialism. Many men have become socialists less from logic than from sympathy with suffering. But modem socialism without disowning sentiment knows the need of facts and sound reasoning better than its predecessors, whom it calls Utopian. While among civilized peoples the suffering has on the whole grown less, the influence of socialism has grown greater; and this is largely owing to the efforts made by the best socialists to reason. faithfully and collect facts honestly. The remarkable extension of socialism in Germany may be traced in great part to the special circum­stances which have made social democracy the chief effective organizer of working men in that country. But modern socialism is not a purely German product. To scientific socialism England, France and Germany have all made contribution.

Its theoretical basis came, in two curiously different ways, from practical England. The idea that the underpaid labour of the poor is the main source of the wealth of the rich is to be found not only in Godwin and Owen but in the minor English land­reformers and revolutionary writers of the 18th and early 19th centuries, such as T. Spence, W. Ogilvie, T. Hodgskin, S. Read, W. Thompson. The positions of Ricardo that value is due to labour and that profits vary inversely as wages were taken by Marx (without Ricardo’s modifications) as established doctrines of orthodox political economy. It was declared to be a scientific truth that under modern industrial conditions the “ exploita­tion ” of the labourer is inevitable. In the theory of rent the exploitation of the tenant by the landlord was already admitted by most economists. It was for the socialists to show that the salvation both of tenant and labourer lay in the hands of the central authority, acting as the socialists would have it act.

France had been prepared for socialism by St Simon and Fourier. The revolutions of 1830 and 1848, though on the whole unsuccessful in directly organizing labour, made socialistic ideas circulate widely in Europe. Men began to conceive of a political revolution which should be also a social revolution, or of a social and industrial revolution which should be also political. We may say broadly that the socialism of 1910 was either inspired by the ideas of that time or is coloured by them. Modern scientific socialism was thus about fifty years old towards the end of the first decade of the 20th century. It would have little claim to be scientific if it had undergone no change in that time; but the change was not greater than the change in orthodox economic doctrine, which indeed it had followed.

Its adherents may be classified (1) according to theory and (2) according to policy, though, as scientific socialism is really both theory and policy, being a political claim founded on an economic argument, the distinction is sometimes a matter of emphasis.

There are theorists who find the exploitation of the tenant by the landlord to be the main evil whether it involves the degradation of the labourer or not. As some theologians confine their criticism to the Old Testament, so Henry George and Professor A. Loria, shunning the name of socialist, would not directly attack the system of modern large capitals but the appropriation of land. The social-democrat attacks both. He either takes Marx as guide, or, allowing Marx to be vulnerable, he stands on received economic doctrines with the addition of a political theory. He may himself rest content with the national­izing of the means of production or he may tend towards communism.

In policy there is a difference between those scientific socialists who admit of no compromise with the existing order and the other scientific socialists who are willing to work with the existing order. The straitest sect would keep quite aloof from ordinary politics. The first step towards compromise is to allow the formation of a socialistic party in the legislature, bearing a protest against all other existing parties. This is the rule on the continent of Europe. The next step is to allow members of the party to be also members of other existing political parties; this is common in England and her colonies. The political history of scientific socialism is to a large extent the history of its attempts to avoid, to effect and to utilize the compromise.

There is, of course, a large body of socialists outside any organ­ization. Partly from the teachings of socialists and partly from literary descriptions of the aims and reasons of socialism, there are multitudes who think socialistically without defining their own position with the exactness of the scientific socialist. It is often these amateurs who fall readily into Utopias and who confound the boundaries between socialism and communism. This is done for example by such writers as H. G. Wells and Upton Sinclair. The temptation is evident. The borderland between large production and small may be sometimes debate­able; and, as soon as the socialistic nationalizing of large production is extended to small, the way is open to the Utopias of communism. Communism is an idea far more utopian than socialism. Like the idea of a kingdom of heaven or a millennium, it springs often from a spiritual enthusiasm that feels sure of its end and, at first at least, recks little of the means.

The enthusiasm may spring from a real conversion of the sort described in the *Republic* of Plato (vii. 516). Even scientific socialism, depending theoretically on close adherence to economic principles, depends practically on this conversion. It is as with Christianity, which depends on its theology but also on its change of heart; till we have refuted both we have not refuted Christianity. So a change of heart, which is also a change of view, is to socialism, as a religion, what economic and political theory is to it as a creed. All that is best in anarchism shares this spiritual feature with socialism. It is of a higher type than the human sympathy which went with utopian socialism; it includes that sympathy and more. It requires a mental somersault of the kind taken by Hegel’s metaphysician and (analogically) by Dante at the earth’s centre. The observer begins to see the world of men all over again, throwing from him all the prejudice of his class and abstracting from all classes. This abstraction may be less hard for those who belong to a class that has little, than for those of a class that has much, as religious conversion is held to be easier for the poor. But it is not really easy for any. The observer tries to conceive what is at bottom the difference between rich and poor. Casuists can show that the line is a vanishing one, and that there are large groups of cases where the distinction is unsubstantial. Such borderlands are still the sporting ground of economists and philosophers and biologists. We could hardly contend, however, that no distinctions are true which break down at the border. It seems unsafe to say there is no war of classes, because at their nearest extremities the classes pass into each other. At the utmost we might infer that the best way to bring the war to an end was to crowd the nearest extremities. At present, taking the contrast not at its least or greatest but at its mean, we find it no fancy. The features that make the lower as distinguished from the higher are of different quality and kind, not merely of amount. They are described perhaps most fully by Tolstoy in *Que faire* ?, but they are brought to the ken of every one of the rich who can overhear the daily talk of the poor,