

"My Partners, the People."

SOME OPINIONS BY MR. CARNEGIE'S PARTNERS.

I HAVE received several interesting communications from my readers on the subject raised by Mr. Andrew Carnegie in his valuable paper published in the January number of the REVIEW OF REVIEWS. Some of these are marked private. From others I make the following extracts and quotations:—

MR. CARNEGIE'S GREATEST GIFT.

BY DR. ALFRED R. WALLACE.

MR. CARNEGIE'S latest exposition of the "Gospel of Wealth" will be welcome to all advanced thinkers. It is, in my opinion, the greatest benefit to humanity yet rendered by himself or by any other multi-millionaire, since he unreservedly admits the right of the people to inherit the bulk of his and their accumulated wealth whenever, by legal enactment, they so will it. He supports this view by excellent reasoning, on the grounds that in every case the accumulation of these great fortunes is very largely and sometimes wholly due to the industry or the talent of the people and the density of population. Pre-eminently, he points out, is this the case in the increase of land values in great cities and towns, the whole of which is the creation of the community itself, as we land nationalisers have long urged. But for great industrial enterprises he claims that the originators and organisers have some personal claim, since they aid in "the development of our country's resources." The Stock Exchange speculators, however, he declares to be wholly evil, doing no service whatever to the community; but he does not suggest how they are to be dealt with except by taking their whole accumulated wealth at their deaths.

These views he bases on justice as well as on expediency. He objects, however, to taxing incomes, except where these arise from rents, interest, or dividends, for two very good reasons; first, that a general income-tax (as in England) causes the honest man to pay for the dishonest; and, secondly, that its collection is enormously expensive. To collect the taxes on dividends, interest and rents, however, hardly costs anything; while as it taxes realised wealth, leaving earned incomes free, it is in accordance with the soundest principles of taxation. But to make up for this loss he would take the bulk of very large incomes by means of graduated death-duties, leaving of course a moderate share to direct heirs.

With all this I cordially agree; but while Mr. Carnegie founds his proposals on an enlightened expediency, combined with an effort to determine the just claims of the people to share the millionaire's wealth in individual cases, I have arrived at a similar result by logically applying Herbert Spencer's "law of social justice," which, as I have elsewhere fully explained, is identical with the law of "equality of opportunities," which necessarily implies "equality of inheritance"; and this can only be attained by the

State becoming the *sole* inheritor of accumulated wealth. But without equality of opportunity there can be no real individualism, which, as Mr. Carnegie maintains, has led to "the steady progress of civilisation." He is very careful to declare that he is utterly opposed to Socialism or Communism, which, he thinks, would "sap the springs of enterprise"; and he therefore wants the inventor, the manufacturer, and the monopolist to be left with a free hand.

But here I think he is illogical, because, under the present system of unequal opportunity and unequally inherited wealth, a large portion of the invention, intellect, and energy of the community is either lost or misapplied. Only by absolute "equality of opportunity" for every child, from birth through childhood to manhood—in nurture, education, and economic training—can individualism be given full play, and all the powers and talents of men and women be fully utilised for the benefit of the nation.

On such a perfect individualism I would base my hopes for the future of humanity. It would inevitably result in the voluntary organisation of industry and in a widespread co-operation, which might or might not result in a socialistic or communistic state.

I maintain, therefore, that Mr. Carnegie, as an individualist, should adopt my extreme view of *absolute equality of opportunities*, without which the advantages of individualism can be only very imperfectly realised. Neither does my friend Mr. J. H. Levy, the chief exponent of individualism in England, ever refer to this very fundamental point. It seems rather curious that it has been left to a Socialist to uphold the standard of complete and thoroughgoing individualism, founded upon the "law of social justice," set forth in one of his latest works by the great philosopher and individualist, Herbert Spencer!

—Yours very truly,

ALFRED R. WALLACE.

A PRACTICAL DIFFICULTY.

MR. CARNEGIE apparently desires that the duties should be graduated according to the means by which the wealth has been accumulated, for he says that the speculator's "ill-gotten gold should be levied upon at the highest rate of all, even beyond that imposed on real estate values." How is this to be accomplished? How are the virtues or the reverse of the dead millionaire to be measured and translated into a percentage?

G. S. BARNES.

THE LOGIC OF THE SOCIALISTS.

BY MR. J. KEIR HARDIE, M.P.

I HAVE read Mr. Carnegie's article in the current issue of the REVIEW OF REVIEWS, but see nothing in it to call for special comment. He gives no indication of being in touch with modern Humanitarian thought, and appears to think that the fillibusters of commerce who have acquired millions of money out of natural or State-given monopolies, and who have maimed and destroyed thousands of human lives in the process—not including those shot by their hired Pinkerton thugs—square their account with humanity by agreeing that 8 per cent. of their swindler's grab shall be returned to the community, from whom it has been taken by force and fraud, as a kind of hush money after the robber is dead. On Mr. Carnegie's own showing it is from the community that every penny of the millionaire's money originally comes, and the problem with which the twentieth century is grappling is not how to make the monopolist disgorge, dead or alive, 8 per cent. of his stealings, but how to put an end to his predatory career.

THE INDIVIDUALIST GIVEN AWAY.

BY MR. J. B. GLASIER.

IN the *Labour Leader* for February Mr. J. B. Glasier says:—

In “My Partners, the People,” Mr. Carnegie sweeps completely away at one stroke the whole fabric of individualism—from base to topmost gilded tower. And all that he does while loudly protesting against communism, and insisting that civilisation is based upon individualism. It would be a mistake, he thinks, to discourage millionaires entirely, so long as they hurry up the processes of industrial organisation.

Now, with respect to this plea in behalf of millionaires, the right argument with Mr. Carnegie on this point is to declare that whatever justification there may have been or may still be for capitalism, so long as the aims of the people and means of industrial organisation in society are individualistic, that need and justification disappear once the people are resolved to adopt the Socialist aim of life and Socialist means of organising industry. Once the community is collectively prepared to act the part of the capitalist (in the sense of owning and organising industry) through the municipalities and the State, Mr. Carnegie's plea for the millionaire goes completely by the board.

What is, then, Mr. Carnegie's proposal for enabling the community to recover the wealth which it created?

Mr. Carnegie advises that millionaires should be allowed to accumulate and retain possession of their wealth during their lifetime, but at their death the community should step in and claim its own.

But what is to happen once Mr. Carnegie brings his millionaires' estates into the possession of the community at the death of their owners? Mr. Carnegie has evidently never thought of that.

Suppose the community were to obtain Mr. Carnegie's £65,000,000 of shares in the Steel Corporation, and Mr. Rockefeller's £150,000,000 in the Standard Oil Corporation. Suppose, in a word, that all the present possessions of American millionaires, amounting to, say, one-half of the total capital of the United States, were, as Mr. Carnegie suggests, to pass at their death into the possession of the Government, what would the Government do with this gigantic capital—land, railways, factories, ironworks, and mines? What else could it do but become to the extent of all that capital the owners and controllers of wealth production in behalf of the nation? Thus, by

Mr. Carnegie's own plan, the community would speedily become collectively the owners of virtually all the capital in the country. And thus individualism would disappear, and Socialism become established!

Yet for the moment Mr. Carnegie's acknowledgment of the truth of our Socialist position with respect to the main fact that all wealth is created by the collective knowledge and labour of the community, and belongs by right to the community, must be accepted on its merits. He has, as I said at the beginning, given the whole individualist case away.

WHAT IS THE PROBLEM OF WEALTH?

WRITING in *Land Values* for February, “L. H. B.” says:—

“The problem of wealth which will not down,” and which to-day is attracting the attention of civilised men everywhere, is not as to how to secure an occasional overflow of superfluous wealth to the nation's Treasury, but rather as to how to secure daily, weekly, and annually a more equal and more equitable distribution of the superabundant wealth daily, weekly, and annually produced by the united labours of the whole community. In other words, serious students of “the problem of wealth,” or rather of the problem of poverty, demand that there shall be, to use Mr. Carnegie's words, “a fairer acquisition and fairer distribution of wealth.” We trust Mr. Carnegie may yet come to realise that the very plausible and insidious remedy he at present favours will not touch the fringe of the problem he is discussing, and which, doubtless, he, like ourselves, is earnestly desirous to see solved. As a real and effective remedy, as “the law needed to produce a more equal, as well as a more equitable, distribution,” they demand that these public values shall be annually appropriated for public uses, leaving sacred to the individual, as well as to companies of individuals, anything and everything due to their own individual exertion.

AN APPEAL FROM THE GEORGEITES.

THE followers of Henry George, the Single Taxers and Land Nationalisers, discern in Mr. Carnegie a possible convert. Mr. Arthur Withy addresses to him an open letter published in the *Westminster Review*, in which he bombards Mr. Carnegie with a mitraille of quotations from “Progress and Poverty,” and concludes by adjuring him to come over and help us. Mr. Withy says:—

I hold that, so far from its being “immaterial at what date collection is made, so that it (the value created by the community) comes to the National Treasury at last,” it is of the utmost importance that the land values created by the public of to-day should be appropriated to-day for the public purposes of to-day. And I cannot but think that after further consideration of the matter you yourself must come to the same conclusion.

If, therefore, as I believe, you are honestly desirous of devoting your wealth to the improvement of the condition of labour, to the uplifting of the great masses of the people, you can only do so by strengthening the hands of those who, in this country, in America, and throughout the civilised world, are working for the realisation of the great ideal set before them by “the Prophet of San Francisco.”

As to how you can best help on this great and good work—whether by supporting and promoting propaganda work on the platform and in the Press, by subscribing to such organisations as the English and Scottish Leagues for the Taxation of Land Values, by setting up an object lesson—by founding a Henry George Colony on the lines of the Fairhope Colony, Alabama, U.S.A., and making it the centre for a lecture bureau and for agitation in the Press, or by any other means—is of course for you to judge.