



Fabian Tract No. 192.

GUILD SOCIALISM.

BY

G. D. H. COLE, M.A.

A Lecture, revised by the Author, delivered in the Fabian Society's
Course at King's Hall, London, in November, 1919.

PRICE TWOPENCE.

THE FABIAN SOCIETY, 25, TOTHILL STREET, WESTMINSTER, LONDON, S.W.1.
MARCH, 1920.



TELEPHONE: VICTORIA 1915.

THE FABIAN BOOKSHOP

25, Tothill St. London, S.W.1.

All books in print on Economics, Politics, Social and Industrial Questions and History as well as General Literature can be supplied.

Enquiries with regard to works on any subject will be replied to promptly.

Books and Pamphlets dealing with the aims and history of the Labour and Socialist Movement and of the Labour Party are the special features of the Bookshop.

The Fabian Society supplies to Socialist Societies, Co-operative Societies, Local Labour Parties, Trade Unions, Trade Councils, Labour Clubs, Reading Societies, Study Circles and Public Authorities,

BOXES OF BOOKS

on Political, Historical, Economic and Social subjects; both up-to-date new books and classical works. Each box contains from twenty to twenty-five volumes selected from a library of 5,000 books in accordance with the wishes of the subscribers.

For prospectus and application form write to:—

THE FABIAN SOCIETY, 25, Tothill Street., London, S.W.1.

HD6479 Guild socialism

GUILD SOCIALISM.

A GREAT change has come over the Socialist Movement in the course of the last few years. When the propaganda of Guild Socialism first began, especially so far as the Socialist Societies were concerned, we were working against the grain. The Socialist Movement had settled down into a certain body of doctrine, it had learned to regard Socialism as an expression of consumers' organisation, it could not see beyond the conception of democracy as an organisation of consumers. When we tried to introduce the rival conception of an organisation of producers, people used to tell us that we were not Socialists at all. Even in those days it was much easier to appeal to a Trade Unionist than to the average Socialist on Guild lines, because as far back as 1910-11 there was beginning that remarkable awakening in the Trade Union Movement which has produced such an enormous change in its social outlook. Gradually, the atmosphere in Socialism as in the Trade Union Movement has changed and the path of Guild propaganda become easier. When we insist on the importance of producers' organisation we are no longer working against people's prejudices and preconceptions. The Guild idea, whether accepted as a complete doctrine or not, is now familiar and seldom encounters hostility from a Trade Union or I.L.P. or other Socialist audience. The change in Trade Unionism is much greater than it has yet become in the Socialist movement itself. At any meeting of the rank and file of the Trade Union Movement—of the conscious 10 per cent or 20 per cent. which attends such meetings—the great majority have got clearly the idea that they want, in some way which they may not be able to define, the control of industry by the workers. Very likely many of them know nothing of Guild Socialism, and few may call themselves Guild Socialists; but still they have in their minds this idea that their immediate aim as Trade Unionists is to win the control or a substantial share in the control of industry. Everybody who desires to understand the present tendencies in the Trade Union Movement, who recognises the enormous strength Trade Unionism has gained, and the great influence it is certain to exercise on the moulding of Society in the very near future, must try to understand what this desire to exercise control over industry means, and to find for that desire legitimate expression in the organisation of the new Society. The great majority of the Trade Unionists want to exercise a real

control over industry, and, that being not a theory but a fact, you have somehow to fit it into your idea of the social situation. It is no good saying that you think this control-of-industry idea does not matter. It matters for this reason, if for no other, that the great mass of the Trade Union Movement has become impregnated with it, that it is the most living force in Trade Unionism to-day.

Re-interpreting Socialism.

I want to make it quite clear that the Guild Socialism of which I am speaking is a form of Socialism—not an alternative to Socialism, not some new doctrine springing up altogether afresh as a challenge to the Socialist movement, but a new interpretation of Socialism, an attempt to make it a more complete and a more balanced doctrine, more completely expressive of democracy, a doctrine that will make democracy really effective economically as well as politically. It is an attempt to reinterpret the Socialist idea. The desire of the Guild Socialist is not to found a new school or a new organisation, but to convert the Socialist Movement as well as the Trade Union Movement to its point of view; to incorporate the new body of thought which the Guildsmen have brought into being in the general body of doctrine which belongs to the Socialist Movement; to effect a change in Trade Union thought, not to bring about a break-away. That is the policy the Guild Socialists have always followed. They have not tried to found a new rival organisation, they have always striven, while creating their own small organisation for propaganda purposes, to remain inside and work through existing organisations.

The Control of Industry.

I profoundly believe that the factors that went to make the Guild Socialist Movement in this country are the same factors as have gone to make movements which are very largely parallel in other countries. If you look over not merely Europe but the whole of the industrialised countries of the world to-day, everywhere this idea of the control of industry is one of the governing ideas in present-day Society; everywhere it is this idea that is driving forward industrial workers, and that is animating them in their attempts to change the existing system. You see the idea at work in Germany in the struggle between the Council system and the Government, and in Russia in the experiments in factory organisation. You see it at work in America in such new doctrines as the Railwaymen's proposal of the Plumb plan. All over the world the Trade Union Movement is gradually tending in the direction of making constructive and clear its demand for a real share in industrial control. That demand takes different forms. It shapes itself in different ways in the different countries of the world, but there is the same central idea, the same essential driving power behind it. That is a thoroughly healthy thing. You do not want exactly the same movement, exactly the same formal

doctrine for all these different countries; you want to get a certain central idea, driving forward the working-class movement over the whole world, but you want that idea to take different expressions, assume different forms, according to the different structure of economic Society in the various countries and the different temperaments of the various peoples of the world. You want the various democracies, the various proletariats, to be organising in such a way that they can effectively co-operate, not organising all the world over in accordance with some hard-and-fast mechanical system which ignores national differences.

Utopias and Realities.

I do not pretend, none of us Guildsmen pretends, that Guild Socialism is the right way for all the peoples of the world to tackle their economic problems. We believe it is the right expression for Socialism to take at this particular time in this particular country, and we believe that it includes ideas that are vital not only for this country but for the whole of the industrialised world; but that these ideas will have to be worked out and applied in different ways according to different economic civilisations and national temperaments. We are not hard-and-fast dogmatists, believing we have some complete workable watertight system which can be applied to every Society. We are seekers after truth. We believe we have the central idea, and that we have a clear vision of some of the immediate steps that are necessary for the application of that idea; but we do not believe that Guild Socialism, as we write it down in our books, as we have to describe it in answering questions, will ever exist in exactly the form in which we describe it. We know that Society does not work in that way. We know that, if you should predict a system and bring it into being exactly as you predicted it, it would inevitably be a wrong system, because by the time you had brought it into existence the social situation would have changed in such a way as to make that system unsuitable. But we do believe that it is worth while to try to foresee things as clearly as you can, to predict as clearly as you can the form of the future organisation; not because you will be able to bring into being the precise form of organisation which you predict, but because your prediction will help you to see a way out of the problems with which you are faced. We believe you cannot take the immediate steps, cannot act effectively in facing the problems you are up against at the moment, merely by treating those problems as they arise. You have to face them with as clear an idea as you can get into your mind of the end at which you are aiming, and your vision of the end helps you in facing immediate problems. That is why we may be open to the charge of being Utopian, not because we believe in our Utopias as actual visions of the future Society, but because we believe that our Utopias are useful in enabling us to face the problems of to-day.

A Theory of Democracy.

I also want to make it clear that Guild Socialism is not a purely industrial theory. It is—certainly so far as I am concerned—rather an accident that Guild Socialism has taken a mainly industrial form. The reason why we are talking mainly about the organisation of industry is that industry is in such a beastly muddle that until you have straightened it out it is no good talking about anything else. That is why our National Guild doctrine appears mainly as a doctrine of industrial organisation. But the theory on which the Guild conception rests is much wider than any purely industrial theory. It rests fundamentally on a particular conception of democracy, essentially different from the conception of democracy which was almost generally accepted in the nineteenth century. Our conception of democracy is this: that it is nonsense to talk of one man representing another, or a number of others; that there is no such thing as representation of one person by another, because in his very nature a man is such a being that he cannot be represented. But that is not a denial of forms of representative government properly understood; it is merely to say that unless representative government conforms to certain canons, it will be misrepresentative government. Our next step is to try and lay down the canons to which representative government must conform if it is to be really representative. We say that the only way in which there can be real representation is when the representative represents not another person but some group of purposes which men have in common; that you never ought to try to represent Smith and Jones and Brown by means of Robinson, but that, if Smith, Jones, and Brown have a common interest in some particular thing whether as producers or as football players or in any other capacity, it is quite legitimate for them to choose Robinson to execute for them and on their behalf their common purpose. That is to say, all true representation, if we are right, is not representation of persons, but only representation of common purposes; or, to put it in other words, any real representation is necessarily functional representation. If that is so, then in social organisation, if it is to be democratic, you must follow this principle of function. If you want to have a democratic Society you can only get it by making Society democratic in all its different parts, in relation to all the various functions which have to be performed in that Society. Therefore you must treat the problem of industry as one problem, and see that you get it organised on democratic lines by itself. You must take the problem of politics and see that you get that organised on democratic lines by itself. You must take all the other problems that arise in Society, and see that in each of its compartments or departments Society is organised on a democratic basis. It is only then, by putting together these different democratic organisations which exist for the expression of particular groups of social purposes, that you can build up a really democratic Society. As long as you conceive

of Society as finding its expression in some one form of representative institution, you will inevitably go astray and get a misrepresentative instead of a really representative institution, but as soon as you conceive of Society as a whole and try to make all the parts really democratic, you get your best chance and your only chance of making the whole democratic. We have worked out that theory mainly in relation to one part of social organisation—the industrial sphere, and we have concentrated on that sphere because, until you get the industrial organisation straightened out, you do not stand the faintest chance of straightening out anything else. As long as you have the present chaos in industry, as long as men and women live the sort of life they are living in industry to-day, as long as you have the present state of war between the various parties who are supposed to be co-operating in the task of production, it is no good expecting that your Society as a whole will function decently or that you will have any real democracy in any of its parts; because the disorder in the industrial system is fatal to order in any part of the Society. Therefore that on which attention has first to be concentrated is straightening out as far as may be the industrial system, bringing it into harmony with real democratic principles, and then going on to introduce this new sanity into the other parts of Society as well.

Principles and Application.

[This may seem a very long way of arriving at any attempt to describe Guild Socialism. I should not have gone this long way round unless I thought it would be the shortest way in the end; because, unless I put clearly before you the essential principles on which we are working, I shall merely present you with the shell of an organisation without explaining why that organisation has been conceived, or why we believe it to be a useful thing. The principles behind Guild Socialism are far more important than the actual forms of organisation which the Guild Socialists have thought out. The thing that really counts is the principle behind the movement, and you might perhaps find ways of expressing that principle as alternatives to the ways we have devised. At any rate, having made clear what are the principles on which this conception of social organisation rests, I can go on and try to make clear the organisation itself.

What is a Guild?

That brings me to the question, What is a Guild? By Guild we mean something based upon Trade Unionism, but essentially different from present-day Trade Unionism in two particulars. First, even if a Trade Union is what is called an industrial union—that is to say, aims at including the whole of the workers in a particular industry—it is essentially an incomplete body, because even if it includes or tries to include all the manual workers in the industry, it very often makes no attempt to include the salaried or technical workers attached to the industry. In certain cases,

Trade Unions do include professional and technical as well as other workers—the Railway Clerks' Association and to a less extent the National Union of Railwaymen are examples of that—in other cases, the salaried and technical workers have Trade Unions of their own, and these work in more or less close conjunction with the Unions representing the manual workers. But there is no case at present of a Trade Union body which does effectively and completely represent any industry and include the whole of the persons engaged in that industry who are essential to its efficient conduct. If you are to carry on an industry efficiently you must have the co-operation in the first place of the manual worker. The reason why industry is breaking down to-day is because the manual workers are not co-operating. That is why under the present system industry is bound to become more and more inefficient; because the manual workers as they wake up to the real facts of the situation more and more refuse to co-operate in industry as long as it is carried on under the present conditions, and therefore industry will become increasingly inefficient as the workers become increasingly educated and class-conscious. ✓

Workers by Hand and Brain.

For carrying on an industry you require in the first place these manual workers, but just as much for the efficient carrying on of an industry you require all the various classes of persons whose special technical or commercial training makes them useful for particular functions which the industry has to perform. Take the mining industry. Mining is every year becoming more and more an engineering problem. The mining engineer is becoming a more and more important person. The scientific problems of mining are every year increasing in importance, and that means that the mining engineers and the others, the skilled technicians attached to the mines, are constantly gaining in their relative importance to the other classes of workers in the industry. Now one of the ways in which a Guild, as we conceive it, would differ from a Trade Union is in that it would include the whole of the workers, by hand or brain, experts, brain workers, and manual workers of every kind—all the workers who are essential to the carrying on of that industry with efficiency as a public service. In our attitude towards the Trade Union Movement we have that object in mind; we are always trying to create the sort of organisation that would be capable not merely of overthrowing capitalism—which is a comparatively easy job—but of replacing capitalism—which is a very much harder job. Therefore we are always trying, not merely to get the various sectional unions of manual workers amalgamated on industrial lines, but also to bring those unions into the closest possible relation with the unions of brain workers and technicians, with the ultimate object of bringing the whole of the workers in the various industries into a single organisation, which will not ignore the differences of function and capacity between the various

grades, but will rest on a recognition by the manual workers of the distinctive function of the brain worker and technician, and by the brain worker of the rights of the manual worker. It is not an attempt to ignore the difference of function between the technician and the other workers; we are trying to provide for that difference, and get it fully recognised by both sides. At present you have snobbishness on both sides to contend with—the brain worker thinking he can get on without the manual worker, and the manual worker thinking that he does not want the co-operation of the brain worker, because the brain worker is the boss's man. You have to overcome both these forms of snobbishness, and to get the greatest possible effective co-operation between the manual worker and the technician, before you can have a Guild.

Turning out the Goods.

The second thing in which a Guild differs from a Trade Union to-day is that a Guild would be mainly concerned not with looking after the interests of its members in an economic sense but with carrying on the industry. The main job of the Guild would be not protection, not collective bargaining, not safe-guarding the standard of life of its members; it would be turning out the goods, seeing that the industry was efficiently conducted, actually running and administering the industry. That may seem a very big change from the Trade Unionism of the present time. It is a big change; but it is not a change for which there is no preparation, because as fast as a Trade Union gains in power or authority it does begin to stretch out its hands towards the control of industry. That is no new thing, it is a very old thing. It begins naturally in the way that is easiest for the workers. The Union begins with imposing restrictions on the right of the employer to organise industry in the way in which he chooses. It begins by saying, "You shan't do that, you shan't employ people in this industry unless you conform to such and such conditions," by hemming him round with negative restrictions, and of these negative restrictions many may tend, I quite agree, to hamper the efficiency of industry in many respects. I do not say in all respects, because very often the regulations imposed by the Trade Unions have actually helped industrial efficiency, but in many cases necessarily these regulations hinder efficiency. They do so for this quite simple reason. At present the Trade Union is kept outside the actual control of industry. It can't give orders, it can't say, "You shall do this," it can only say, "You shan't do that." That means that the Trade Union is always in the position of obstruction, in the position of obstructing other people from doing things as they choose. There, again, you have an example of the pulls of the classes which at present exist in industry; their pulling one against another hinders industry, makes industry necessarily inefficient under the present system. Now, as the Trade Unions go on gaining in power, they more and more try to turn

those restrictions which they have imposed on industry into a positive form. They try to pass beyond saying, "Thou shalt not" to "Thou shalt"; not merely to check the way in which the employer does things, not merely to criticise and restrain, but actually to give orders and run things themselves.

The Shop Stewards.

Perhaps the most remarkable tendency in that direction in recent years is the growth of the Shop Stewards' Movement. It has been principally in the Engineering and allied industries, where it represents a definite attempt by the workers to convert their negative restrictions on industry into a form of positive control over industry. You may say that that was not consciously so. So far as many of the Shop Stewards are concerned it was not; but I am dealing not with what was consciously present in the mind of every Shop Steward, but with the general tendency of policy behind the Shop Stewards' Movement as a whole. In that sense, what I say is undoubtedly true. During the present year the big control movement of the railwaymen and the miners have been obvious expressions of the tendency I have been describing. Both the railwaymen and the miners no longer content themselves with the imposition of restrictions on the way in which industry is run, but demand that they shall be admitted to a share in the control of industry, and shall have the right to a certain extent to lay down the conditions under which industry is to be organised in the future, and to share in the positive task of organising it. There is the second big difference between Trade Unionism as it has existed in the past and the Guild of the future.

From Trade Union to Guild.

Now, in the case of both these differences you can see that the bridge is being built by which Trade Unionism will pass from one stage to the other. There is already the tendency of the manual workers and the professional organisations to agree together and to come into closer contact. There is already the tendency for the organised workers not merely to demand, but to show themselves in a position to enforce their demand for, a real share in the control of those industries in which they are most strongly and best organised. In both cases you can see the bridge from the Trade Union to the Guild being built, and that process is likely to be immensely speeded up in the next few years, if the result of the movements which are going on in the building industry and the mines at present is a successful result. Suppose the miners succeed in securing the greater part of what they are now asking for, an enormous impetus will be given to the demands of the workers in other industries for similar concessions. As soon as we get the mines nationalised under conditions approximating to the demands which the miners are putting forward, some other industry will step into the place which the miners have left vacant. A crisis concerning nationalisation and democratic control will develop

in some other industry, and the same battle will be fought out again; only there will be this difference, that whereas now nationalisation and democratic control have the air of an untried experiment, then the workers who next demand it will have behind them the precedent which the miners will have created. That amongst other things is the main reason why the miners' battle is the battle of all the workers—the battle of everyone who cares for democratic organisation of industry, and why the whole Labour Movement ought to stand solidly behind the miners not only in their demand for national ownership but also in their demand for democratic control.

Rock or Sand?

I have tried to make clear that in our idea of a Guild we are building upon something definite and tangible in the Trade Unionism of to-day. It is very easy to make theories, but it is of no use unless you have some definite means at hand of realising those theories. I could construct a better ideal of organisation than Guild Socialism standing on my head; only it would not do any good, because there would be no way of getting it. When you are dealing with Guild Socialism there is a definite way of getting it, because it is built upon an existing organisation, because it can show the way in which that organisation can be adapted to the fulfilment of the functions suggested, because it can show already at work a very strong and definite tendency in the direction which it indicates. You never need take any notice of a theoretical movement unless it can say: Here is the organisation with which I am going to do this thing. At any rate, that is true in the economic sphere. Purely theoretical movements do not matter. The movements which are in the eyes of the authorities dangerous are movements which have definite organisations behind them. Guild Socialism has behind it first of all the functional organisation of Trade Unionism, and, secondly, and in a very important sense, the functional organisation of the Co-operative Movement.

The Guilds and the Community.

Then we come to what is undoubtedly the most difficult point in Guild Socialist theory to explain at all shortly or simply. As soon as you set forward your ideal for the control of industry by bodies of the kind which I have tried to describe, that is, by National Guilds, you are faced with the question, But won't these Guilds work for their own benefit, instead of working for the community as a whole; won't they serve their own interests, instead of serving the interests of the consumer? You are asked what guarantee you can give that the miners won't strike under Guild Socialism. I say at once, I cannot give you a guarantee, nor can you give me a guarantee that you can devise any system on God's earth under which the miners won't strike, because if the miners don't want to go down the pit and get coal, there is no power on earth that can make the miners go down the pit and get coal.

The thing you have to fall back on is the attempt to devise a system under which miners will be prepared willingly to go down the pit and get coal. That is where so many people who argue against theorists like us make a mistake, because they always assume that under the present system miners will go down and get coal—an assumption which is steadily becoming less plausible and less true. If we do not find some new way of persuading the miners to go down the pits, then before long we shall find our houses even colder than they are now, our factories stopping for lack of coal, and our whole industrial system dislocated. It won't be a case of only the miners not being willing to do these things for us, but of an increasing unwillingness in every industry. Therefore it is not enough for you to say that the Guild Socialist offers no guarantee that the miners will produce for the community and not for themselves.

The Motive of Service.

You have, if you object to Guild Socialism, to show a system under which they will be more likely to do that than they will under Guild Socialism. I personally believe that a system under which a man has a reasonable control of the conditions of his own working life, and also, as a citizen, of the conditions of his political life, offers the best guarantee that you can have, because it offers the best opportunity for a man to give free service to the community and at the same time to express himself as a citizen and as a consumer, as well as in his capacity as a producer. But I certainly think you must rely, for securing that the various Guilds will work for the public service, and not for their own advantage, mainly upon enlisting a new motive in industry and on making a real appeal to the motive of public service, given under free conditions. I do not want, and no Guild Socialist wants, the miners or any other group of workers to own the industry in which they are concerned. In the situation which has arisen to-day, we stand with the Collectivists in the demand for national ownership of industry. We believe the industries ought to be taken over and owned by the public. The difference between our theory and other theories that are put forward for the control of industry when nationalised lies simply in our belief that when you nationalise an industry that does not mean that the public has got to administer it, or rather that the public has got to appoint bureaucrats to administer it for them. We believe the right way of running an industry is to hand it over to be worked by the people who know the best possible way of working it efficiently; on the one hand by the technicians who understand how the industry is to be made efficient on its scientific and commercial side, and on the other hand by the manual workers without whose co-operation you cannot get the goods turned out.

The Case for Public Ownership.

We want public ownership of industry for this reason, that if any industry produces a surplus—or whatever surplus any industry

produces—we desire that surplus to pass not into the pocket of the industry in question, but into the national exchequer, to become a part of the revenue of the whole country. In just the same way we do not desire the prices of commodities produced and of services rendered to be fixed by those who run those services or produce those commodities. We believe that the prices of commodities and services ought to be fixed by the community as a whole, that those are matters not for the body of working producers alone, but for the whole body of the people to determine, because the price of a commodity is something which affects the consumer even more nearly than it affects the producer. What we demand for the workers by hand and brain is not the entire control of the economic process right from production to consumption, but the control of the productive processes and the processes of distribution allied with production. We demand that the workers shall control those parts of the industry which are concerned with the way in which goods are turned out and services rendered, and that they shall organise themselves for the producing of those goods and the rendering of those services, but as soon as the producer comes into contact with the consumer, as soon as the consumer is directly affected, as he is in prices, as he is in the division of the surplus realised in the industry, then we recognise the consumers' right to make his voice heard. More than that, we recognise the right of the consumer to criticise to the full the way in which the productive processes are carried on by the producer, and, in the miners' recommendations to the Coal Commission, which are as good an expression of immediate Guild policy as you will find, that point of view is clearly and explicitly recognised in the proposal for a separate Consumers' Council related to the Mining Guild, and representing the community from the consumers' side. Therefore, we want communal control of industry and democratic control of industry. These are two sides of our programme which cannot be divided; and they are equally essential for the creation of any Guild Socialist Society.

The Place of Co-operation.

I want to say a word as to the place which the Co-operative Movement would occupy in the Guild Socialist solution of industrial organisation. When you are dealing with the great industries and services, not only such services as mines, railways, and shipping but the other great productive industries also, then I believe that one by one all those industries will pass into the stage at which nationalisation combined with democratic control, roughly on the lines of the miners' scheme, will become immediate and practical politics. But when you are dealing with the retail distributive industry, and with small-scale industries closely in contact with the individual consumer, and producing commodities that are individually consumed in the home, then I am not so certain that many of the industries and services connected with

that sort of domestic production will ever pass into the stage of nationalisation as we ordinarily understand it. I think rather that you have to divide the various industries and services in the country roughly into three groups; into the group which will pass into national ownership, including all the great industries and services of national extent; the group which will pass into municipal ownership, or some other form of ownership by local authorities, including what we ordinarily call the Public Utility Services—gas and water and many more which will be added to them, including local transport, of course; and then a third group that you may call the domestic industries, which I believe will pass into co-operative ownership, and will not pass through the stage of either State or municipal or any other form of ownership by a public authority. I believe it is in relation to this third group of industries—domestic industries—that Co-operation will find its survival in the Socialist community.

I am not speaking now of Co-operation in agriculture. There, again, Co-operation has probably a vast future for its activities, but so far as industry apart from agriculture is concerned, I believe the Co-operative Movement will find its place as the centre of the domestic industries, and that it will be related to Guilds organising workers in those industries, in the same way as the State, or whatever replaces the State, will be related to the Guilds organising the great public industries and services, and in the same way as the municipality or other local authority will be related locally to Guilds organising the public utilities.

A Survey of Democracy.

The other great working-class movement besides Trade Unionism is Co-operation. Any theory which ignores Co-operation, or unnecessarily puts up the back of Co-operation will inevitably and deservedly fail. In Russia, the Bolsheviks began with an attempt to subordinate Co-operation to their own theories. They failed. Co-operation was too strong for them, because it was a movement rooted in the producing sections of society; and in just the same way we shall have to face this problem of Co-operation, to find a real scope for Co-operation in the society of the future, and to run our social revolution by building jointly upon those two great working-class movements, and by finding for them a harmonious reconciliation. I believe that can be done. One of the things I would like most to see in the near future is not merely a survey of Co-operation, like the Co-operative Survey that has just been completed; not merely a survey of Trade Unionism, like the survey we may get out of the proposals for a General Staff that are now being mooted, but a joint survey of Trade Unionism and Co-operation which would bring those two working-class movements together in theory as they are now rapidly being brought together in practice. If you could get those two movements working together, there is almost no limit to the power which they might exercise in Society.

Four Problems.

At the end of this lecture, I raise four big problems, not because I propose so much to deal with them separately, as because by putting them before you I shall be able to throw into relief that which should have been sticking out of what I have been saying all through my lecture. If Guild Socialism is a really living and vital doctrine it has to find satisfactory answers to these four problems. It has to show that it will provide a way of dividing national income, not necessarily on lines of absolute equality, although I personally believe in equality, but on lines at any rate of approximate economic equality and fairness. At the same time it has to show that it will provide for the making of fresh capital, that it will be able to divide the national production from year to year into two parts, one of which will go to satisfy the immediate needs of the population, and the other of which will go to replenishing the capital of industry, and make provision for future production. Under Guild Socialism, as under other forms of Socialism, saving becomes a business for the community as a whole, and not for the separate individuals in the community; just as under Collectivist Socialism, so under Guild Socialism, the business of providing for the future is a business for the community as a whole. It is the business of those who budget in that community to say each year: We can afford to distribute so much in the form of income to our members, and we must put aside so much for future development. That presents exactly the same problem to Guild Socialism as it presents to any other kind of Socialism.

Guild Taxation.

Moreover, Guild Socialism provides, on the financial side certainly, the easiest basis for taxation that I know of. The basis of taxation under Guild Socialism would be taxation at source of the various industries, and we have always assumed that the main way of raising revenue, although not the only way, under Guild Socialism would be taxation at source imposed upon the various Guilds, which would incidentally be a very useful method of redressing any inequality which might remain as between the various Guilds, after the community had fixed the prices of their various products.

The Hope for Craftsmanship.

Then as to the problem of Guild structure. As long as you have capitalism there is nothing for it but to centralise your forces more and more to fight capitalism; but I believe as soon as the workers can get anything like economic freedom the first thing they will do is to begin to break up this enormous centralised industrial system that we have created. I do not mean that they will go around smashing machinery; but I believe there will be a gradual reversion to localism, to smaller-scale production, to meet the gradual

demand of the consumer for goods of higher quality. That will not be a sudden thing; if it were sudden it would be a calamity. It will be a gradual process arising from the education of the worker, from the greater freedom which he finds in his work, from his desire to do better work. But that return to smaller-scale conditions of production cannot come about until you have installed some form of economic freedom, and until you have smashed the present capitalist system. Therefore, whether you believe ultimately in local or national or international Guilds, you have to concentrate on this problem of building up an organisation capable of overthrowing the present system and putting something in its place, capable of carrying on, even if it is not the final form of organisation you desire.

"Human Nature."

The last thing I want to say is a sentence or so about the problem of "human nature." It is impossible to lecture on almost any conceivable subject without being asked whether you believe that human nature has changed, and it is always wise to forestall some of the obvious questions in order to get on to the interesting ones. What, then, is the ordinary man really like? That may seem rather a large question to raise at this hour. Many people would tell you the ordinary man does not want to be free, but only cares to be let alone, to get along with things without being too much interfered with. I do not believe that is true. I believe that the ordinary man might indeed very often say that all he wants is to be let alone. But if you let him alone I do not believe he would do decent work, or would enjoy himself; he would very soon get extremely bored. What the ordinary man really does want is to have an opportunity of expressing himself if he desires to do so, to have many opportunities of expressing himself in different directions, not because he will use those opportunities all the time or universally but because he will be able to use them if he wants to. It is a very nice thing to feel that you have a ticket for this course of lectures, even if you don't come to all the lectures, and it is a very nice feeling that you have a sort of universal pass for human freedom, even if you are not particularly concerned in exercising human freedom in all its forms. I prefer to have a vote even when I would die sooner than vote for any of the candidates standing, and I believe my feeling is the common feeling.

The Man in the Street.

That is, I believe, a very important point that many people go wrong about. They say the ordinary man does not want really to control industry, therefore it does not matter whether he has a chance to do so or not. That is a profound mistake. We must organise industry on such a basis that every man does get a chance to control it, not because we believe that every man will take equal advantage of that chance, but because the whole atmosphere

of industry will change if that chance is given, and because that will mean that the people who do actually control industry will be controlling it with the consent of the rest, and everybody will feel that he is really co-operating—that he really counts, and that the people who are controlling industry are doing their job under his direction. If we can only get into industry that feeling not merely of consent, but of co-operation, even if it is not the most active co-operation that can be desired, then we shall change to a great extent the spirit in which work is done. I believe the change will go much further, and that if we provide the right conditions, a very much larger proportion of people than now will be active and keen in exercising a real control over industry, although at the same time I believe no less that if you once get industry decently organised it will cease to occupy the disproportionate place that it occupies in men's minds to-day, and instead of being the main thing in our minds it will sink back into being a quite minor and humdrum thing about which we need not bother; and I hope when we have got that feeling it will not be necessary for me to go on lecturing and bothering about industry. Certainly, I shall leave industry to look after itself, and get on with something else. Meanwhile, I suppose I must go on talking for a few years yet.

Trusting People.

Finally, the last problem of human nature is whether you are prepared to take the risk of trusting people or not. I remember the old Socialist question always used to be on the lines that you could not trust the people to work under conditions of industrial self-government. The Collectivists never did trust people a bit. I do not know whether they have changed now or not; at any rate a few years ago, even if they did not trust the people, they had some hope of building through bureaucratic Socialism a sort of Society that would work. That hope has gone. There is no hope in bureaucratic Society, no hope that it would work, even if anyone still desired to bring it into existence. Nor is there hope or chance of capitalism lasting much longer. We have to find some new way of facing the problem of industrial organisation. Neither the old consumers' Socialism, nor Capitalism, is capable of turning out the goods. That puts it up to you either to accept what I am saying, or else to find some way by which you can induce men to go on producing, by means other than the means which were employed right through the nineteenth century—the means of hunger and fear. Almost the only reason why people have worked in the past, why people have consented to go on working under such miserable, unjust conditions, has been that they have been frightened, that they have been starved. If that breaks down—and it is everywhere breaking down to-day—then either men won't go on working at all or else they will go on working for some quite different reason.

A Leap in the Dark.

I say plainly that the only reason I can see, the only appeal you can make to persuade men go on working, is the belief that in working they are really serving the community. If that conception won't work then nothing at all will work, and the world will come to an end. Not suddenly, which would not matter very much to any of us; it will come to an end slowly and very uncomfortably for all of us, and we shall see year by year not merely industry growing inefficient, but everything growing more and more dirty and uncomfortable and nasty and hopeless, and more like a story by H. G. Wells. If we want to avoid that, if we want to build up a new Society before the old one cracks all round us, then we have to be quick in making experiments, and we have to make them on trust. Exactly what we must make is what Mr. Leslie Scott called, in his case for the Coal-owners before the Coal Commission, "a leap in the dark."*

*For a fuller account of Guild Socialism, reference should be made to the publications of the National Guilds League, 39 Cursitor Street, London, E.C.4.

BASIS OF THE FABIAN SOCIETY.

The Fabian Society consists of Socialists.

It therefore aims at the reorganisation of Society by the emancipation of Land and Industrial Capital from individual ownership, and the vesting of them in the community for the general benefit. In this way only can the natural and acquired advantages of the country be equitably shared by the whole people.

The Society accordingly works for the extinction of private property in land, with equitable consideration of established expectations, and due provision as to the tenure of the home and the homestead; for the transfer to the community, by constitutional methods, of all such industries as can be conducted socially; and for the establishment, as the governing consideration in the regulation of production, distribution and service, of the common good instead of private profit.

The Society is a constituent of the Labour Party and of the International Socialist Congress; but it takes part freely in all constitutional movements, social, economic and political, which can be guided towards its own objects. Its direct business is (a) the propaganda of Socialism in its application to current problems; (b) investigation and discovery in social, industrial, political and economic relations; (c) the working out of Socialist principles in legislation and administrative reconstruction; (d) the publication of the results of its investigations and their practical lessons.

The Society, believing in equal citizenship of men and women in the fullest sense, is open to persons irrespective of sex, race or creed, who commit themselves to its aims and purposes as stated above, and undertake to promote its work.

SUBSCRIPTION.

A fixed subscription, equal for each member, is not desirable in the Fabian Society, as it would press unequally on members with widely different incomes, and would have to be unreasonably high. Members are therefore left free to subscribe according to their means, and it is suggested that a voluntary income tax of $\frac{1}{2}$ per cent. (10s. for each £100 of the member's income) will meet the case of fairly well-to-do people.

Some of the Publications of the Fabian Society and the Labour Research Department.

(Complete list of nearly a hundred on application).

- The History of the Fabian Society. (1916) By EDW. R. PEASE. 300 pp., with portraits. 6s. net.
- The Wages of Men and Women: Should they be Equal? By MRS. SIDNEY WEBB. 1s.
- A Public Medical Service. By DAVID MCKAIL, M.D., D.Ph., and WILLIAM JONES. 1s.
- The Reorganisation of Local Government. By Capt. C. M. LLOYD. 1s.
- Fabianism and the Fiscal Question. By BERNARD SHAW. 1s. net.
- How to Pay for the War. Being ideas presented to the Chancellor of the Exchequer by the Fabian Research Department. Edited by SIDNEY WEBB. (June, 1916) 6s. net.
- International Government, being two Reports by L. S. WOOLF and a Project by a Fabian Committee for a Supernational Authority that will prevent war. (July, 1916) 10s. net.
- Trade Unionism in Germany. By W. STEPHEN SANDERS. With Preface by SIDNEY WEBB. (1916) 7d. net.
- Fabian Essays in Socialism. This is the celebrated collection of eight essays by G. BERNARD SHAW, SIDNEY WEBB, SIR SYDNEY OLIVIER, GRAHAM WALLIS, HUBERT BLAND, WILLIAM CLARKE and ANNIE BESANT, of which over 50,000 copies have been sold, besides numerous foreign editions. 2s. Cloth 4s.
- This Misery of Boots. By H. G. WELLS. A model propagandist tract. 3d.
- Facts for Socialists (revised 1915). A collection of authoritative statistics. 137th thousand. 2d.
- Public Service v. Private Expenditure. By Sir OLIVER LODGE, F.R.S. 1d.
- State and Municipal Enterprise. (1915). 1s. net.
- Introduction to Trade Unionism. By G. D. H. COLE. (Nov., 1918). 5s.
- The Commonsense of Municipal Trading. By G. BERNARD SHAW. Cloth 1s.
- The Payment of Wages. By D. G. H. COLE. (Nov., 1918). 6s.
- Family Life on a Pound a Week. By MRS. PEMBER REEVES. 2d.
- National Finance and a Levy on Capital. By SIDNEY WEBB. 2d.
- What to Read on Social and Economic Subjects. 5th edition. 1s. net.
- Socialism and the Arts of Use. By A. CLUTTON BROCK. 1d.
- Women Workers in Seven Professions. Edited by Professor EDITH MORLEY. 7s. 6d. net.
- The Rural Problem. By H. D. HARBEN. 2s. 6d. net.
- The celebrated Fabian Tracts (1d., 2d. and 3d. each). Nearly 100 still in print. Set, bound in buckram, 7s. 6d. net, 8s. 3d. post free.
- THE FABIAN BOOKSHOP, 25, Tothill Street, Westminster, S.W.1.

FABIAN PUBLICATIONS.

- HISTORY OF THE FABIAN SOCIETY. By E. R. PEASE. 6s. n.
FABIAN ESSAYS (1920 Edition). 2s. ; postage, 3d.
TOWARDS SOCIAL DEMOCRACY? By SIDNEY WEBB. 1s. n., post, 1d.
WHAT TO READ on Social and Economic Subjects. 1s. n. and 2s. n.
THE RURAL PROBLEM. By H. D. HARBEN. 2s. 6s. n.
THE MISERY OF BOOTS. By H. G. WELLS. 3d., post free, 4d.

FABIAN TRACTS AND LEAFLETS.

Tracts, each 16 to 52 pp., price 1d., or 9d. per doz., unless otherwise stated.
Leaflets, 4 pp. each, price 1d. for 6 copies, 1s. per 100, or 8/6 per 1000.
The Set of 74, 4/6; post free, 5/3. Bound in buckram, 7/6; post free, 8/3.

I.—General Socialism in its various aspects.

- TRACTS.—184. The Russian Revolution and British Democracy. By JULIUS WEST. 2d. 180. The Philosophy of Socialism. By A. CLUTTON BROCK. 169. The Socialist Movement in Germany. By W. STEPHEN SANDERS. 2d. 159. The Necessary Basis of Society. By SIDNEY WEBB. 151. The Point of Honour. By RUTH C. BENTINCK. 147. Capital and Compensation. By E. R. PEASE. 146. Socialism and Superior Brains. By BERNARD SHAW. 2d. 142. Rent and Value. 138. Municipal Trading. 121. Public Service v. Private Expenditure. By SIR OLIVER LODGE. 107. Socialism for Millionaires. By BERNARD SHAW. 139. Socialism and the Churches. By Rev. JOHN CLIFFORD, D.D. 133. Socialism and Christianity. By Rev. PERCY DEARMER. 2d. 78. Socialism and the Teaching of Christ. By Dr. J. CLIFFORD. 42. Christian Socialism. By Rev. S. D. HEDLAM. 79. A Word of Remembrance and Caution to the Rich. By JOHN WOOLMAN. 72. The Moral Aspects of Socialism. By SIDNEY BALL. 69. Difficulties of Individualism. By S. WEBB. 51. Socialism: True and False. By S. WEBB. 45. The Impossibilities of Anarchism. By G. B. SHAW. 2d. 7. Capital and Land. 5. Facts for Socialism. 2d. LEAFLETS.—13. What Socialism Is. 1. Why are the Many Poor?

II.—Applications of Socialism to Particular Problems.

- TRACTS.—188. National Finance and a Levy on Capital. By SIDNEY WEBB. 2d. 187. The Teacher in Politics. By SIDNEY WEBB. 2d. 186. Central Africa and the League of Nations. By R. C. HAWKIN. 2d. 183. The Reform of the House of Lords. By SIDNEY WEBB. 181. When Peace Comes—the Way of Industrial Reconstruction. By SIDNEY WEBB. 2d. 178. The War; Women; and Unemployment. 2d. 177. Socialism and the Arts of Use. By A. CLUTTON BROCK. 175. The Economic Foundations of the Women's Movement. 2d. 173. Public v. Private Electricity Supply. 171. The Nationalization of Mines and Minerals Bill. 170. Profit-Sharing and Co-Partnership: A Fraud and Failure? 164. Gold and State Banking. 162. Family Life on a Pound a Week. By Mrs. REEVES. 2d. 161. Afforestation and Unemployment. 157. The Working Life of Women. 155. The Case against the Referendum. 154. The Case for School Clinics. 152. Our Taxes as they are and as they ought to be. 2d. 149. The Endowment of Motherhood. 2d. 145. The Case for School Nurseries. 140. Child Labour under Capitalism. 136. The Village and the Landlord. By EDW. CARPENTER. 144. Machinery: its Masters and Servants. 122. Municipal Milk and Public Health. 125. Municipalization by Provinces. 124. State Control of Trusts. LEAFLET.—104. How Trade Unions benefit Workmen.

III.—Local Government Powers: How to use them.

- TRACTS.—172. What about the Rates? By S. WEBB. 62. Parish and District Councils (Revised 1919). 137. Parish Councils and Village Life. 109. Cottage Plans and Common Sense. LEAFLETS.—134. Small Holdings. 68. The Tenant's Sanitary Catechism. 71. Ditto for London.

IV.—General Politics and Fabian Policy.

- TRACTS.—158. The Case against the C.O.S. By Mrs. TOWNSHEND. 41. The Fabian Society: its Early History. By BERNARD SHAW.

V.—Biographical Series. In portrait covers, 2d. and 3d.

182. Robert Owen, Idealist. By C. E. M. JOAD. 179. John Ruskin and Social Ethics. By Prof. EDITH MORLEY. 165. Francis Place. By ST. JOHN G. IRVINE. 166. Robert Owen, Social Reformer. By Miss B. L. HUTCHINS. 167. William Morris and the Communist Ideal. By Mrs. TOWNSHEND. 168. John Stuart Mill. By JULIUS WEST. 174. Charles Kingsley and Christian Socialism. By C. E. VULLIAMY.

Printed by the Broadway Press, and published by the Fabian Society, 25 Tothill Street, Westminster, London, S.W.