

BARNETT HOUSE PAPERS

No. 18

**MAN : THE MASTER OR
THE SLAVE OF MATERIAL
THINGS ?**

BY

THE RIGHT HON. HERBERT MORRISON
J.P., L.C.C.

SIDNEY BALL LECTURE

November 15, 1934

L O N D O N

OXFORD UNIVERSITY PRESS

HUMPHREY MILFORD

1935

OXFORD
UNIVERSITY PRESS
AMEN HOUSE, E.C. 4
London Edinburgh Glasgow
New York Toronto Melbourne
Capetown Bombay Calcutta
Madras Shanghai
HUMPHREY MILFORD
PUBLISHER TO THE
UNIVERSITY

PRINTED IN GREAT BRITAIN

MAN: THE MASTER OR THE SLAVE OF MATERIAL THINGS?

ONE of the commonplaces in the discussions of modern economic and social problems is the existence of poverty and economic insecurity in a world of plenty. There is no dispute about the fact. There is dispute about the causes and the remedies.

I will first of all endeavour to state the facts of the conundrum as I see them, and in doing so I will endeavour to free my mind from political and party prejudice. If we can sort out in the first place the indisputable facts, our subsequent discussions and arguments about causes and remedies will be much simpler.

The whole story of man in his relations with the material world is a story of his steadily increasing understanding of and mastery over material things. But it is to be noted that when in these matters we think of man in retrospect we are dealing largely with the actions, knowledge, and advantages of individuals rather than those of mankind collectively.

The more dramatic advances in the application of science to industry and the securing of greater economic output as the result of more efficient industrial organization date in their more noticeable aspects from the latter part of the eighteenth and the early part of the nineteenth centuries, the period of the industrial revolution. It must not be forgotten, however, that enormous progress had been made in the productivity of labour and the mobility of people during the ages which preceded the industrial revolution. At some time that simple and certainly not scientifically complex thing, the wheel, was discovered. This discovery led in the simpler conditions of earlier centuries to considerable acceleration in transport, in handicraft production (e.g. the spinning-wheel) and in other ways. The ability to move about on water by means of simple boats or rafts;

the discovery of the uses of fire; the axe and the knife—these and a thousand other things were aids to the mastery of man over nature long before the coming of the mechanical age.

The industrial revolution of a century and a half ago—although in some of its phases it started earlier—put all previous developments into the shade. Perhaps the basic thing it did was to replace individual labour over a wide field of economic production by associated and co-operative labour. It was found that a workman labouring with his fellow-men on the basis of organized, co-operative, subdivided and, up to a point specialized, labour was capable of a bigger industrial output than if he worked with more simple implements of labour in his own home—and this altogether apart from the introduction of machinery.

It was a tragic business at the time. It involved the conversion of the domestic hand-loom weaver into the factory operative; it transformed the independent producer with many of his individualities into the disciplined wage worker, involving for him a life of more prescriptive routine and less distinctive character. It tended to divorce the producer from the instruments of production; it caused the worker using his own tools and his little industrial plant to be dependent upon the opportunity of using the tools and industrial plant of the manufacturer. And manufacture was bound to win because it was more efficient than individual handicraft production. Moreover, the worker comprehensively skilled in a whole craft was replaced by the so-called unskilled worker or the worker skilled in only a part of his industry.

The development of steam power and machinery accentuated the process of replacing the individual producer by a great army of wage workers, and secured an increased output for a given number of human labour-hours. As a whole its effect was to increase enormously the productivity of labour and to cheapen the cost of production. As all this development was outside the field of social use and control, it was natural for the work-people to be conscious of the

danger of widespread unemployment; and some of them suffered unemployment as a direct consequence, at any rate over limited periods, or during the time taken to readapt themselves to the changed industrial circumstances. The possible unemployment, however, was largely mitigated by the increased demand consequent on lower prices, and particularly by a great development in British export trade.

And now our own century has seen what must be regarded as a second industrial revolution, largely consequent on the development of gas and, particularly, electrical power, the invention of the internal combustion engine with its effect on transport, together with a wide range of mechanical, industrial, and office aids which have not only had their effect upon the quantity of human labour required for a given amount of industrial production, but which, to a material extent, have made the processes of production independent of the skill, quality, and thinking powers of the human being engaged in industry.

Modern industrial mechanization not only multiplies the amount of output, but is capable of executing complicated and specialized tasks; this really means that it is doing the work of the human eye, the human nerve, and the human brain, as well as that of the heavy hand and brawn of the manual labourer. Many of the great industries have their story to tell in this connexion—engineering, boot and shoe manufacture, and even the generation of the force itself which is the greatest aid of modern power production, namely, electricity. For even electrical generating installations are so automatic that a small supervisory staff can control the production of half a million horse-power.

Perhaps the simplest and most eloquent illustration of the complete displacement of man by mechanization is the modern electric vehicle-actuated traffic control signal, with the encouragement of which I had a great deal to do when Minister of Transport. Up to a few years ago the normal method of traffic control was by means of a human policeman. He watched the flow of traffic with his eyes; his brain formed a judgement; and his arm would hold one line of

traffic and release another. So eyes, nerves, brain, and muscle were all in action. It is now becoming common for all these human actions to be made unnecessary and for the human policeman to be displaced by the traffic robot. Vehicles pass over a strip in the roadway which has electrical contacts telling the signal that vehicles are waiting to pass. According to the density of traffic and, in some degree, to a time factor, the green light gives way to amber and then red, while the red light gives way to amber and then green. As it happened, this transformation is not throwing policemen out of work, even though it may have a potential effect on recruiting, for the policemen are meantime transferred to other duties. It is, however, an illustration, within the everyday experience of all of us, of how mechanical contrivances are capable of replacing entirely the attributes and work of human beings.

The vast field of mechanical aids in productive industry has been paralleled by the mechanical revolution in transport as a consequence of the development of motor transport, the electric train, tram, and trolley bus, the modern ship and the aeroplane, whilst the telegram, the telephone, and the wireless have displaced or short-circuited those human activities which would have been required to discharge a similar amount of work or service.

There can be no question but that we are living in an age of enormously increased capacity in production, distribution, and communication.

The next point I submit for your consideration is the remarkable phenomenon of unemployment and poverty being caused by an excess of wealth in relation to effective economic demand. No one appears to dispute this peculiar economic fact; it has been widely noted and commented upon by the press, by political economists, by business men, and by politicians of all parties. The throwing of fish into the sea in order to check a fall in prices; official discouragement by American governmental authorities of what is called over-production in agriculture; the destruction of coffee in South America; the more or less successful

agreements among national and international trade associations to regulate production, not in accordance with our reasonable human requirements, but in order to fit the market—all of these demonstrate that we have arrived at a point when the power to produce exceeds, not necessarily our human requirements, but what the economic market will absorb. This does and must mean either that workers by hand and by brain find employment restricted because of the fear of what is known as over-production; or that consumers cannot purchase up to the full extent of their requirements because prices are maintained at a level which is beyond their full reach; or, in given cases, it may mean that both these factors operate.

To civilized men it may be a readily understandable commonplace for the family of an agricultural labourer to be unemployed or poorly paid, and therefore partially hungry, because the world is producing 'too much' food, but I am perfectly certain that an uncivilized man from a primitive tropical area with an adequate food supply would find our economy much more difficult to follow. Yet if we look at the matter impartially it is really impossible for us who belong to the civilized, educated, western peoples, to do other than admit that hunger as a consequence of too great an abundance of food is an unreasonable state of affairs. This situation of poverty, not only in the midst of plenty, but *because* of plenty, will probably be regarded by future generations as the greatest absurdity of our age. We of the twentieth century laugh with scorn at some of the preposterous ideas and superstitions which were prevalent centuries ago. We may be certain, however, that future generations will laugh with contempt or sigh with pity at this twentieth-century world which allowed itself to be short of the necessities of life because there existed too great an abundance of these necessities.

Such an economic absurdity is an indignity to the whole race. Any political economist who even attempts to defend it should be deprived of his academic adornments. If the

peoples of the world continue to defend it as inevitable and necessary it would really be better for our planet to be shattered to smithereens as being unworthy of continued existence.

The economic absurdity of poverty in the midst of plenty has its repercussions in the world of credit and finance; and indeed credit and financial difficulties have their repercussions on industrial production. The world has a great army of unemployed workers who are terribly anxious for employment. And in this very same world of human unemployment there are great sums of capital lying idle because of a lack of opportunity to find effective use for that capital within our industrial system.

Finance and credit in the modern world are a muddle; in part owing to the general outlook of the financiers and the bankers themselves, but in the main as an inevitable consequence of the system of private ownership and production for private ends, with no social or collective purpose in view. Yet the financiers and the bankers are among the most conservative in their ideas. They resist the social control of our industrial forces; they insist upon the vital importance of finance, banking and credit in the modern economic world; and yet they fight to the last against the social control of finance, banking and credit, being emphatic that their control can only be entrusted to private persons and companies working for private profit. Above all they are fanatical believers in the doctrine that economic anarchy can only be avoided by the continuance of the anarchy of a multitude of separate private owners, using land and capital for private and even anti-social ends. In the modern world the use of finance and credit has such vast and penetrating reactions upon the social well-being of the people that it is surely amazing that anybody should be shocked by the idea that finance and credit should be subject to a combination of communal ownership and control and business management.

And so we are in the humiliating position of having to confess that in our age of science and invention millions are

unemployed; that capital is unemployed because effective markets are not available to employ it; and that millions of people are the victims of insecurity and poverty at the very time when trade and governmental policy is largely directed to the restriction of production and even to the actual destruction of wealth.

The last economic absurdity to which I would draw attention may be more difficult for some of you to agree with me about, but it is this: That there is no necessary relationship between the comfort and security of individuals and their personal industry and usefulness to society. I agree at once that some well-placed people are able, industrious, and useful to the community, and that it is reasonable in our society that their qualities should be recognized. As to whether some wealthy persons are making more out of these people's labours and abilities than they are themselves, or as to whether some of these useful and able people are receiving incomes in excess of their value to the community, are matters for argument. At any rate they have a right to consideration.

There are, however, a number of wealthy people who have rendered no useful economic service, and who have indeed been reared on the assumption that gentlemen do not work. Among these people must be included land-owners—except in so far as they take an active part in the management of their estates—royalty owners, and mere rentiers. At the other end of the social scale we find the working and less prosperous of the middle classes who, as a whole, work hard, but whose standard of life is nevertheless on the low side, and who are always haunted by the fear of unemployment or other forms of financial disaster. I venture to submit that we must accept as being wrong in principle an economic system which condemns useful people to relative poverty and economic insecurity, whilst permitting other people to be rich without working and to be relatively secure.

I have endeavoured to state as fairly and as uncontroversially as possible the outstanding economic facts of

twentieth-century human society as I see them. I suggest that they are irrational and unfair.

Let us now try to consider what are the causes of these economic facts, which must be absurd, unless there are good and unalterable reasons for their existence. Surely the fundamental cause must be that whilst individual men and restricted associations of men have been busily engaged in applying science to industry and promoting more efficient industrial organization, mankind as a whole has not concerned itself with seeing to it that this great economic advance should promote the common good, and that our basic failure is that we have not imposed proper forms of social control over our growing and expanding power of production for the purpose of seeing that the benefits come to the community as a whole rather than to restricted sections of the community.

And when we come to examine why this is I think we must answer:

1. That land and capital, the material instruments by which men produce and distribute wealth, are, in the main, owned by private individuals or companies of private individuals; and
2. That the fundamental purpose of production and distribution is to benefit the individuals or companies of individuals who own land and capital rather than to benefit society as a whole.

I am not denouncing the individuals concerned; I am suggesting that given private ownership and production for private profit it would be ridiculous to expect an economic system to be operated for public or social ends. In short, men may have proved their mastery over matter, but man *as a whole* has not assumed control of the material world, the consequence being that man as a whole is largely the victim rather than the beneficiary of the triumph of men over material things and the forces of nature. It is not that we are still living in a world of rampant classical individualism, for individualism in the old sense is practically dead. Ours is an age of trusts and combines, of trade associations,

of co-operative societies, trade unions, and widespread State intervention—all having for their purpose control of some kind over individualistic tendencies or over restricted fields of our industrial economy.

Moreover, the whole nature of modern industrial organization is co-operative rather than individualistic in character. The running of a great railway involves the careful co-operation of officers and employees of all grades, from the general manager right down to the humblest porter at a great terminal station. The result of the co-operation of this great army of administrators, organizers, technicians, engine drivers, guards, signalmen, porters, and others is the running of a railway. They constitute the great body of industrial co-operators who make the railway move. The element of doubt is how far the directors and, certainly, the shareholders actively contribute to railway management and operation. Individualism in the old sense is inconsistent with large-scale industrial management.

So the modern industrial world is—within the system—saturated with co-operative and associated effort. Yet the modern industrial world is also saturated with private ownership and production for private ends. We have refrained from imposing the principles involved in co-operative and associated labour to ownership, control and the whole purpose of production and distribution. We are not producing the necessities and the reasonable luxuries of life because we need them, but because somebody hopes to make a profit from them. Our mining industry is split up over a great number of owners, their individualism checked to some extent by legislation; they are conducting bits of an industry without any supreme direction or co-operative plan; without social purpose and without any real capacity for that large-scale experiment and research which should be telling us how best to do things and how best to develop and to utilize the many by-products of coal. There is no proper relationship between the depressed coal-mining industry and the two related, but prosperous, industries of gas and electricity supply. And so it is with the greater

part of the remaining field of industrial and agricultural production.

In these chaotic circumstances the really wonderful thing is not that we suffer economically as much as we do, but that we do not suffer still more. For we are living in a world in which the community is refraining from being the collective master of its means of livelihood, in which there is no real collective plan or system of producing and distributing wealth, and in which the great majority of citizens are 'economic lodgers' in their own country. This state of affairs is, it is suggested, irrational, unbusiness-like; the muddle cannot, I think, be remedied by superficial tamperings: it requires a frank recognition of the fact that the only remedy for muddle is order, and that a decent order cannot be the 'order' of private trusts, monopolies, and trade associations, but an order promoted and imposed by public action through public authorities. Unless this is recognized and acted upon, mankind is in danger of becoming increasingly the slave and the victim of science and productive capacity rather than the proud master of the material world into which we are born and in which we live and die.

And I suggest that if public economic order is to be substituted for private economic muddle it cannot be secured by mere State regulation and control of privately owned economic undertakings. As a transitory measure to meet particular circumstances the State regulation of private industry may be necessary and expedient. I am bound to confess, however, to some sympathy with the objections of business men in private industry to the red tape and the check to initiative involved in the State regulation of private trade. However considerable the advantages may be to the community, it does inevitably tend to fetter that freedom of initiative and sense of confident and responsible management which is a not unimportant factor in the direction of economic undertakings. Desirable changes in business policy may be checked by the State in order to prevent undesirable things in other directions.

On the other hand, the State departments exercising

public supervision are nervous about going too far lest they undermine the commercial wellbeing of the undertakings concerned. This is notably the case in fixing the maximum charges of statutory undertakings or the maximum prices of commodities. State organization exercising powers of regulation and supervision has to fix a charge or price under which the small man as well as the big man may live, and it has to take into account the possibility of fluctuation in the prices of raw materials, particularly if imported, and other factors which enter into the total cost of production. The tendency, therefore, is to be conservative in fixing such maxima and to permit charges or prices which are beyond what is reasonable in the most efficient of the undertakings concerned.

Politically, the small man—because of his numbers and public sympathy with him—involves greater difficulties than the big trust. State regulation is therefore largely illusory. In any case, it cannot easily effect those physical changes in fixed capital and the distribution or geographical allocation of industrial undertakings which may really be essential to the proper organization and functioning of the industry concerned.

Effective public control must, in my view, be based upon the public ownership of land and industrial capital. Only so can the community, through appropriate co-ordinated economic organs, have a free hand in the reorganization and re-equipment of industry, and the right to determine the destiny of the products of human labour. Only so can it be sure that the great advances in scientific achievement, the inventiveness of man, and our rapidly growing capacity for efficient industrial organization, will benefit and not curse the community.

The economic organs for the organization and management of industry would not necessarily be state departments. The public corporation, such as the British Broadcasting Corporation, the Central Electricity Board, and the London Passenger Transport Board; the municipality; the Co-operative Society—all have their place as instruments of

socialization. And there would require to be established some instrument of supreme public economic control which would conserve and allocate capital and work out the nation's industrial budget. If I am asked: 'Where are the brains in the public service for the direction of all this highly responsible work?' I answer that there are already fine brains to be found in our public service; that the best brains now serving private industry can and should be attracted to the public service—indeed they will come over to the public service with the socialized industries, just as Lord Ashfield and Sir John Reith did; and that our educational as well as our industrial system must aim at producing more brains of the right sort.

When the nation as a whole, and finally the world as a whole, are the masters and the conscious planners of material things shall we know how much of this, that, and the other we require to meet our human needs and wants; how much of this, that, and the other kind of labour and capital equipment is necessary for a given amount of production; and what reward for human labour and energy of all kinds can be given consistently with the economic facts of the time, allowance being made for the cost of public administration, the social services and those collective cultural and educational needs and amenities—such as this University—which are fitting to human society in the twentieth century. When the community is the owner and the master of those material things which are necessary for the conduct of industry and agriculture, when mankind is the master of the material world, we shall know what we are doing economically for the first time in human history.

And the purpose of it all will not be merely to feed, clothe, and house human beings, and to provide them with the necessities of life as an end in itself—that is not enough; it will also be to free humanity from an undignified and unnecessary scramble for mere existence. The human mind, the human spirit, and, if I may say so, the human soul—given the recognition of the fact that if men would live they must work—will be free for higher and more expan-

sive things than merely keeping body and soul together. The result will be, I hope—and the community must take steps to encourage that result—a more educated and cultured, as well as a happier and freer type of human being. We must seek to achieve not only the mastery of mind over matter, but a continuous improvement of the mental and social qualities of the race.

The alternative is industrial muddle, the growth of individual insecurity, a scramble for markets between the nations and those restrictions of markets by nation against nation which constitute the primary causes of wars between nations in modern times. If we are to continue the existing system whereby the basic things of life are in private hands and used for private profit, we shall be marching headlong to economic disaster and decay. That would be an unworthy end to this great human race which is equipped with energy and a wide capacity for administration, planning, and order. And so I urge it to be the duty of every good citizen to make whatever effort seems to him right to affirm and achieve the final mastery of mankind over material things.