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THE HOUSING QUESTION²³⁸

Part I

HOW PROUDHON SOLVES
THE HOUSING QUESTION

In No. 10 and the following issues of the *Volksstaat* may be found a series of six articles on the housing question.^a These articles are worthy of attention only because, apart from some long-forgotten would-be literary writings of the forties, they are the first attempt to transplant the Proudhonist school to Germany. This represents such an enormous step backward in comparison with the whole course of development of German socialism, which delivered a decisive blow precisely to the Proudhonist ideas as far back as twenty-five years ago,* that it is worth while answering this attempt immediately.

The so-called housing shortage, which plays such a great role in the press nowadays, does not consist in the fact that the working class generally lives in bad, overcrowded and unhealthy dwellings. *This* shortage is not something peculiar to the present; it is not even one of the sufferings peculiar to the modern proletariat in contradistinction to all earlier oppressed classes. On the contrary, all oppressed classes in all periods suffered rather uniformly from it. In order to put an end to *this* housing shortage there is only *one* means: to abolish altogether the exploitation and oppression of the working class by the ruling class.—What is meant today by housing shortage is the peculiar intensification of the bad housing conditions of the workers as a result of the sudden rush of population to the big cities; a colossal increase in rents, still greater

* In Marx: *Misère de la philosophie etc.*, Brussels and Paris, 1847.

^a [A. Mülberger,] "Die Wohnungsfrage", *Der Volksstaat*, Nos. 10-13, 15, 19, February 3, 7, 10, 14, 21, March 6, 1872.—*Ed.*

congestion in the separate houses, and, for some, the impossibility of finding a place to live in at all. And *this* housing shortage gets talked of so much only because it is not confined to the working class but has affected the petty bourgeoisie as well.

The housing shortage from which the workers and part of the petty bourgeoisie suffer in our modern big cities is one of the innumerable *smaller*, secondary evils which result from the present-day capitalist mode of production. It is not at all a direct result of the exploitation of the worker *as* worker by the capitalist. This exploitation is the basic evil which the social revolution wants to abolish by abolishing the capitalist mode of production. The cornerstone of the capitalist mode of production is, however, the fact that our present social order enables the capitalist to buy the labour power of the worker at its value, but to extract from it much more than its value by making the worker work longer than is necessary to reproduce the price paid for the labour power. The surplus value produced in this fashion is divided among the whole class of capitalists and landowners, together with their paid servants, from the Pope and the Emperor down to the night watchman and below. We are not concerned here with how this distribution comes about, but this much is certain: that all those who do not work can live only on the pickings from this surplus value, which reach them in one way or another. (Compare *Marx's "Capital"*, where this was propounded for the first time.)

The distribution of this surplus value, produced by the working class and taken from it without payment, among the non-working classes proceeds amid extremely edifying squabbings and mutual swindling. In so far as this distribution takes place by means of buying and selling, one of its chief methods is the cheating of the buyer by the seller; and in retail trade, particularly in the big cities, this has become an absolute condition of existence for the seller. When, however, the worker is cheated by his grocer or his baker, either in regard to the price or the quality of the merchandise, this does not happen to him in his specific capacity as a worker. On the contrary, as soon as a certain average measure of cheating has become the social rule in any place, it must in the long run be adjusted by a corresponding increase in wages. The worker appears before the shopkeeper as a buyer, that is, as the owner of money or credit, and hence not at all in his capacity as a worker, that is, as a seller of labour power. The cheating may hit him, and the poorer class as a whole, harder than it hits the richer social classes, but it is not an evil which hits him exclusively, which is peculiar to his class.

And it is just the same with the housing shortage. The expansion of the big modern cities gives the land in certain sections of them, particularly in those which are centrally situated, an artificial and often enormously increasing value; the buildings erected in these areas depress this value, instead of increasing it, because they no longer correspond to the changed circumstances; they are pulled down and replaced by others. This takes place above all with centrally located workers' houses, whose rents, even with the greatest overcrowding, can never, or only very slowly, increase above a certain maximum. They are pulled down and in their stead shops, warehouses and public buildings are erected. Through its Haussmann in Paris,^a Bonapartism exploited this tendency tremendously for swindling and private enrichment. But the spirit of Haussmann has also been abroad in London, Manchester and Liverpool, and seems to feel itself just as much at home in Berlin and Vienna. The result is that the workers are forced out of the centre of the towns towards the outskirts; that workers' dwellings, and small dwellings in general, become rare and expensive and often altogether unobtainable, for under these circumstances the building industry, which is offered a much better field for speculation by more expensive dwelling houses, builds workers' dwellings only by way of exception.

This housing shortage, therefore, certainly hits the worker harder than it hits any more prosperous class, but it is just as little an evil which burdens the working class exclusively as is the cheating of the shopkeeper, and, as far as the working class is concerned, when this evil reaches a certain level and attains a certain permanency, it must similarly find a certain economic adjustment.

It is largely with just such sufferings as these, which the working class endures in common with other classes, and particularly the petty bourgeoisie, that petty-bourgeois socialism, to which Proudhon belongs, prefers to occupy itself. And thus it is not at all accidental that our German Proudhonist seizes chiefly upon the housing question, which, as we have seen, is by no means exclusively a working-class question; and that he declares it to be, on the contrary, a true, exclusively working-class question.

"The *tenant* is in the same position in relation to the *house-owner* as the *wage-worker* in relation to the *capitalist*."^b

^a The words "in Paris" were added by Engels in the 1887 edition.—*Ed.*

^b [A. Mülberger,] *op. cit.*, *Der Volksstaat*, No. 12, February 10, 1872.—*Ed.*

This is totally untrue.

In the housing question we have two parties confronting each other: the tenant and the landlord, or house-owner. The former wishes to purchase from the latter the temporary use of a dwelling; he has money or credit, even if he has to buy this credit from the house-owner himself at a usurious price in the shape of an addition to the rent. It is a simple commodity sale; it is not a transaction between proletarian and bourgeois, between worker and capitalist. The tenant—even if he is a worker—appears as *a man with money*; he must already have sold his commodity, a commodity peculiarly his own, his labour power, to be able to appear with the proceeds as the buyer of the use of a dwelling or he must be in a position to give a guarantee of the impending sale of this labour power. The peculiar results which attend the sale of labour power to the capitalist are completely absent here. The capitalist causes the purchased labour power first to produce its own value but secondly to produce a surplus value, which remains in his hands for the time being, subject to distribution among the capitalist class. In this case, therefore, an excess value is produced, the sum total of the existing value is increased. In a renting transaction the situation is quite different. No matter how much the landlord may overreach the tenant it is still only a transfer of already *existing*, previously *produced* value, and the total sum of values possessed by the landlord and the tenant *together* remains the same after as it was before. The worker is always cheated of a part of the product of his labour, whether that labour is paid for by the capitalist below, above or at its value; the tenant, only when he is compelled to pay for the dwelling above its value. It is therefore a complete misrepresentation of the relation between landlord and tenant to attempt to make it equivalent to the relation between worker and capitalist. On the contrary, we are dealing here with a quite ordinary commodity transaction between two citizens, and this transaction proceeds according to the economic laws which govern the sale of commodities in general, and in particular the sale of the commodity “landed property”. The building and maintenance costs of the house or of the part of the house in question enter first into the calculation; the value of the land, determined by the more or less favourable situation of the house, comes next; the relation between supply and demand existing at the moment decides in the end. This simple economic relation expresses itself in the mind of our Proudhonist as follows:

“The house, once it has been built, serves as a *perpetual legal title* to a definite fraction of social labour although the real value of the house has been paid to the

owner long ago more than adequately in the form of rent. Thus it comes about that a house which, for instance, was built fifty years ago, during this period covers the original cost price two, three, five, ten and more times over in its rent yield.”^a

Here we have at once Proudhon in his entirety. First, it is forgotten that the rent must not only pay the interest on the building costs, but must also cover repairs and the average amount of bad debts and unpaid rents as well as the occasional periods when the house is untenanted,^b and finally must pay off in annual instalments the building capital which has been invested in a house, which is perishable and which in time becomes uninhabitable and worthless. Secondly, it is forgotten that the house rent must also pay interest on the increased value of the land upon which the building is erected and that, therefore, a part of it consists of ground rent. Our Proudhonist immediately declares, it is true, that since this increment is brought about without the landowner having contributed anything, it does not equitably belong to him but to society as a whole. However, he overlooks the fact that he is thereby in reality demanding the abolition of landed property, a point which would lead us too far if we went into it here. And finally he overlooks the fact that the whole transaction is not at all one of buying the house from its owner, but of buying only its use for a certain time. Proudhon, who never bothered himself about the real, the actual conditions under which any economic phenomenon occurs, is naturally also unable to explain how the original cost price of a house is under certain circumstances paid back ten times over in the course of fifty years in the form of rent. Instead of examining this not at all difficult question economically and establishing whether it is really in contradiction to economic laws, and if so how, Proudhon resorts to a bold leap from economics into jurisprudence: “The house, once it has been built, serves as a *perpetual legal title*” to a certain annual payment. How this comes about, *how* the house *becomes* a legal title, on this Proudhon is silent. And yet that is just what he should have explained. Had he examined this question he would have found that all the legal titles in the world, no matter how perpetual, could not give a house the power of obtaining its cost price back ten times, over the course of fifty years, in the form of rent, but that only economic conditions (which may have obtained social recognition in the form of legal titles) can accomplish this. And with this he would again be where he started from.

^a [A. Mülberger,] op. cit., *Der Volksstaat*, No. 10, February 3, 1872.—Ed.

^b The rest of the sentence was added by Engels in the 1887 edition.—Ed.

The whole Proudhonist teaching rests on this saving leap from economic reality into legal phraseology. Every time our good Proudhon loses the economic hang of things—and this happens to him with every serious problem—he takes refuge in the sphere of law and appeals to *eternal justice*.

“Proudhon begins by taking his ideal of justice, of ‘*justice éternelle*’, from the juridical relations that correspond to the production of commodities; thereby, it may be noted, he proves, to the consolation of all good citizens, that the production of commodities is a form of production as everlasting as justice. Then he turns round and seeks to reform the actual production of commodities, and the actual legal system corresponding thereto, in accordance with this ideal. What opinion should we have of a chemist, who, instead of studying the actual laws of the molecular changes in the composition and decomposition of matter, and on that foundation solving definite problems, claimed to regulate the composition and decomposition of matter by means of the ‘eternal ideas’, of ‘*naturalité* and ‘*affinité*’? Do we really know any more about ‘usury’, when we say it contradicts ‘*justice éternelle*’, ‘*équité éternelle*’, ‘*mutualité éternelle*’, and other ‘*vérités éternelles*’, than the fathers of the church did when they said it was incompatible with ‘*grâce éternelle*’, ‘*foi éternelle*’, and ‘*la volonté éternelle de Dieu*’?” (Marx, *Capital*, p. 45^a).

Our Proudhonist does not fare any better than his lord and master:

“The rent agreement is one of the thousand exchanges which are as necessary in the life of modern society as the circulation of the blood in the bodies of animals. Naturally, it would be in the interest of this society if all these exchanges were pervaded by a *conception of right*, that is to say, if they were carried out everywhere according to the strict demands of justice. In a word, the economic life of society must, as Proudhon says, raise itself to the heights of *economic right*. In reality, as we know, exactly the opposite takes place.”^b

Is it credible that five years after Marx had characterised Proudhonism so summarily and convincingly precisely from this decisive angle, one can still print such confused stuff in the German language? What does this rigmarole mean? Nothing more than that the practical effects of the economic laws which govern present-day society run contrary to the author’s sense of justice and that he cherishes the pious wish that the matter might be so

^a Engels quotes from the first (1867) German edition of Volume One of *Capital*; see also the English edition which was edited by Engels (*Capital*, Vol. I, London, 1887, p. 56).—*Ed.*

^b [A. Mühlberger,] op. cit., *Der Volksstaat*, No. 11, February 7, 1872.—*Ed.*

arranged as to remedy this situation.—Yes, if toads had tails they would no longer be toads! And is then the capitalist mode of production not “pervaded by a conception of right”, namely, that of its own right to exploit the workers? And if the author tells us this is not *his* conception of right, are we one step further?

But let us go back to the housing question. Our Proudhonist now gives his “conception of right” free rein and treats us to the following moving declamation:

“We do not hesitate to assert that there is no more terrible mockery of the whole culture of our lauded century than the fact that in the big cities 90 per cent and more of the population have no place that they can call their own. The real nodal point of moral and family existence, hearth and home, is being swept away by the social whirlpool... In this respect we are far below the savages. The troglodyte has his cave, the Australian his clay hut, the Indian his own hearth, but the modern proletarian is practically suspended in mid-air,” etc.^a

In this jeremiad we have Proudhonism in its whole reactionary form. In order to create the modern revolutionary class of the proletariat it was absolutely necessary to cut the umbilical cord which still bound the worker of the past to the land. The hand weaver who had his little house, garden and field along with his loom was a quiet, contented man, “godly and honourable” despite all misery and despite all political pressure; he doffed his cap to the rich, to the priest and to the officials of the state and inwardly was altogether a slave. It is precisely modern large-scale industry which has turned the worker, formerly chained to the land, into a completely propertyless proletarian, liberated from all traditional fetters,^b *a free outlaw*; it is precisely this economic revolution which has created the sole conditions under which the exploitation of the working class in its final form, in capitalist production, can be overthrown. And now comes this tearful Proudhonist and bewails the driving of the workers from hearth and home as though it were a great retrogression instead of being the very first condition of their intellectual emancipation.

Twenty-seven years ago I described, in *The Condition of the Working-Class in England*, the main features of just this process of driving the workers from hearth and home, as it took place in the eighteenth century in England.^c The infamies of which the land and factory owners were guilty in so doing, and the deleterious effects, material and moral, which this expulsion inevitably had on the workers concerned in the first place, are there also described

^a Ibid.—Ed.

^b *Der Volksstaat* has “culture” instead of “fetters”.—Ed.

^c See present edition, Vol. 4, pp. 307-27.—Ed.

as they deserve. But could it enter my head to regard this, which was in the circumstances an absolutely necessary historical process of development, as a retrogression "below the savages"? Impossible! The English proletarian of 1872 is on an infinitely higher level than the rural weaver of 1772 with his "hearth and home". And will the troglodyte with his cave, the Australian with his clay hut or the Indian with his own hearth ever accomplish a June insurrection²³⁹ or a Paris Commune?

That the situation of the workers has on the whole become materially worse since the introduction of capitalist production on a large scale is doubted only by the bourgeois. But should we therefore look backward longingly to the (likewise very meagre) fleshpots of Egypt,²⁴⁰ to rural small-scale industry, which produced only servile souls, or to "the savages"? On the contrary. Only the proletariat created by modern large-scale industry, liberated from all inherited fetters including those which chained it to the land, and herded together in the big cities, is in a position to accomplish the great social transformation which will put an end to all class exploitation and all class rule. The old rural hand weavers with hearth and home would never have been able to do it; they would never have been able to conceive such an idea, not to speak of desiring to carry it out.

For Proudhon, on the other hand, the whole industrial revolution of the last hundred years, the introduction of steam power and large-scale factory production which substitutes machinery for hand labour and increases the productivity of labour a thousandfold, is a highly repugnant occurrence, something which really ought never to have taken place. The petty bourgeois Proudhon aspires to a world in which each person turns out a separate and independent product that is immediately consumable and exchangeable in the market. Then, as long as each person receives back the full value of his labour in the form of another product, "eternal justice" is satisfied and the best possible world created. But this best possible world of Proudhon has already been nipped in the bud and trodden underfoot by the advance of industrial development, which long ago destroyed individual labour in all the big branches of industry and which is destroying it daily more and more in the smaller and even smallest branches, which is setting social labour supported by machinery and the harnessed forces of nature in its place, and whose finished product, immediately exchangeable or consumable, is the joint work of the many individuals through whose hands it has had to pass. And it is precisely this industrial revolution which has raised

the productive power of human labour to such a high level that—for the first time in the history of mankind—the possibility exists, given a rational division of labour among all, of producing not only enough for the plentiful consumption of all members of society and for an abundant reserve fund, but also of leaving each individual sufficient leisure so that what is really worth preserving in historically inherited culture—science, art, forms of intercourse, etc.—may not only be preserved but converted from a monopoly of the ruling class into the common property of the whole of society, and may be further developed. And here is the decisive point: as soon as the productive power of human labour has risen to this height, every excuse disappears for the existence of a ruling class. After all, the ultimate basis on which class differences were defended was always: there must be a class which need not plague itself with the production of its daily subsistence, in order that it may have time to look after the intellectual work of society. This talk, which up to now had its great historical justification, has been cut off at the root once and for all by the industrial revolution of the last hundred years. The existence of a ruling class is becoming daily more and more a hindrance to the development of industrial productive power, and equally so to that of science, art and especially of forms of cultural intercourse. There never were greater boors than our modern bourgeois.

All this is nothing to friend Proudhon. He wants “eternal justice” and nothing else. Each shall receive in exchange for his product the full proceeds of his labour, the full value of his labour. But to calculate this in a product of modern industry is a complicated matter. For modern industry obscures the particular share of the individual in the total product, which in the old individual handicraft was obviously represented by the finished product. Further, modern industry eliminates more and more individual exchange, on which Proudhon’s whole system is built up,^a namely, direct exchange between two producers each of whom takes the product of the other in order to consume it. Consequently a reactionary streak runs through the whole of Proudhonism; an aversion to the industrial revolution and the desire, sometimes overtly, sometimes covertly expressed, to drive the whole of modern industry out of the temple—steam engines, mechanical looms and the rest of the business—and to return to old, respectable hand labour. That we would then lose nine hundred and ninety-nine thousandths of our productive power,

^a The rest of the sentence was added by Engels in the 1887 edition.—*Ed.*

that the whole of humanity would be condemned to the worst possible labour slavery, that starvation would become the general rule—what does all that matter if only we succeed in organising exchange in such a fashion that each receives “the full proceeds of his labour”, and that “eternal justice” is realised? *Fiat justitia, pereat mundus!*^a

Let justice be done though the whole world perish!

And the world would perish in this Proudhonist counter-revolution if it were at all possible to carry it out.

It is, however, self-evident that, even with social production conditioned by modern large-scale industry, it is possible to assure each person “the full proceeds of his labour”, so far as this phrase has any meaning at all.^b And it has a meaning only if it is extended to purport not that each individual worker becomes the possessor of “the full proceeds of his labour”, but that the whole of society, consisting entirely of workers, becomes the possessor of the total product of their labour, which product it partly distributes among its members for consumption, partly uses for replacing and increasing its means of production, and partly stores up as a reserve fund for production and consumption.

After what has been said above, we already know in advance how our Proudhonist will solve the great housing question. On the one hand, we have the demand that each worker have and own his own home in order that we may no longer be *below the savages*. On the other hand, we have the assurance that the two, three, five or tenfold repayment of the original cost price of a house in the form of rent, as it actually takes place, is based on a *legal title*, and that this legal title is in contradiction to “*eternal justice*”. The solution is simple: we abolish the legal title and by virtue of eternal justice declare the rent paid to be a payment on account of the cost of the dwelling itself. If one has so arranged one’s premisses that they already contain the conclusion, then of course it requires no greater skill than any charlatan possesses to produce the result, prepared beforehand, from the bag and proudly point to unshakeable logic whose result it is.

And so it happens here. The abolition of rented dwellings is proclaimed a necessity, and couched in the form of a demand that every tenant be turned into the owner of his dwelling. How are we to do that? Very simply:

^a The motto of Ferdinand I, emperor of the Holy Roman Empire.—Ed.

^b The next sentence was added by Engels in the 1887 edition.—Ed.

"Rented dwellings will be redeemed... The previous house-owner will be paid the value of his house to the last farthing. Hitherto the tenant has paid rent as his tribute to the perpetual title of capital, now, from the day when the redemption of rented dwellings is proclaimed, the exactly fixed sum paid by the tenant will become the annual instalment paid for the dwelling which has passed into his possession... Society ... transforms itself in this way into a totality of free and independent owners of dwellings."^a

The Proudhonist finds it a crime against eternal justice that the house-owner can without working obtain ground rent and interest^b out of the capital he has invested in the house. He decrees that this must cease, that capital invested in houses shall no longer yield interest; nor ground rent either, so far as it represents purchased landed property. Now we have seen that the capitalist mode of production, the basis of present-day society, is in no way affected hereby. The pivot on which the exploitation of the worker turns is the sale of his labour power to the capitalist and the use which the capitalist makes of this transaction, the fact that he compels the worker to produce far more than the paid value of his labour power amounts to. It is this transaction between capitalist and worker which produces all the surplus value afterwards divided in the form of ground rent, commercial profit, interest on capital,^c taxes, etc., among the diverse varieties of capitalists and their servitors. And now our Proudhonist comes along and believes that if we were to prohibit *one single variety* of capitalists, and at that of capitalists who purchase no labour power directly and therefore also cause no surplus value to be produced, from making profit or receiving interest,^d it would be a step forward! The mass of unpaid labour taken from the working class would remain exactly the same even if house-owners were to be deprived tomorrow of the possibility of receiving ground rent and interest.^e However, this does not prevent our Proudhonist from declaring:

"The abolition of rented dwellings is thus one of the *most fruitful and magnificent aspirations* which have ever sprung from the womb of the revolutionary idea and it must become one of the *primary demands* of the Social-Democracy."^f

^a [A. Mülberger,] op. cit., *Der Volksstaat*, No. 12, February 10, 1872.—*Ed.*

^b *Der Volksstaat* has "profit" instead of "interest".—*Ed.*

^c The words "interest on capital" were added by Engels in the 1887 edition.—*Ed.*

^d The words "or receiving interest" were added by Engels in the 1887 edition.—*Ed.*

^e *Der Volksstaat* has "profit" instead of "interest".—*Ed.*

^f [A. Mülberger,] op. cit., *Der Volksstaat*, No. 12, February 10, 1872.—*Ed.*

This is exactly the type of market cry of the master Proudhon himself, whose cackling was always in inverse ratio to the size of the eggs laid.

And now imagine the fine state of things if each worker, petty bourgeois and bourgeois were compelled by paying annual instalments to become first part owner and then full owner of his dwelling! In the industrial districts in England, where there is large-scale industry but small workers' houses and each married worker occupies a little house of his own, there might possibly be some sense in it. But the small-scale industry in Paris and in most of the big cities on the Continent is supplemented by large houses in each of which ten, twenty or thirty families live together. Supposing that on the day of the world-delivering decree, when the redemption of rent dwellings is proclaimed, Peter is working in an engineering works in Berlin. A year later he is owner of, if you like, the fifteenth part of his flat consisting of a little room on the fifth floor of a house somewhere in the neighbourhood of the Hamburger Tor. He then loses his job and soon afterwards finds himself in a similar flat on the third floor of a house in the Pothof in Hanover with a wonderful view of the courtyard. After five months' stay there he has just acquired $\frac{1}{36}$ part of this property when a strike sends him to Munich and compels him by a stay of eleven months to assume ownership of exactly $\frac{11}{180}$ of a rather gloomy abode on the street level behind the Ober-Angergasse. Subsequent removals, such as nowadays are so frequent with workers, saddle him further with $\frac{7}{360}$ of a no less desirable residence in Saint Gall, $\frac{23}{180}$ of another one in Leeds, and $\frac{347}{56223}$, figured out exactly in order that "eternal justice" may have nothing to complain about, of a third flat in Seraing. And now, of what use are all these shares in flats to our Peter? Who is to give him the real value of these shares? Where is he to find the owner or owners of the remaining shares in his various one-time flats? And what exactly are the property relations regarding any big house whose floors hold, let us say, twenty flats and which, when the redemption period has elapsed and rented flats are abolished, belongs to perhaps three hundred part owners who are scattered all over the world? Our Proudhonist will answer that by that time the Proudhonist exchange bank²⁴¹ will exist, which will pay to anyone at any time the full labour proceeds for any labour product, and will therefore pay out also the full value of a share in a flat. But in the first place we are not at all concerned here with the Proudhonist exchange bank since it is nowhere mentioned in the articles on the housing question; secondly it rests on the

peculiar error that if someone wants to sell a commodity he will necessarily always find a buyer for its full value, and thirdly it went bankrupt in England more than once under the name of LABOUR EXCHANGE BAZAAR,²⁴² before Proudhon invented it.

The whole conception that the worker should *buy* his dwelling rests again on the reactionary basic outlook, already emphasised, of Proudhonism, according to which the conditions created by modern large-scale industry are morbid excrescences, and society must be brought forcibly, that is, against the trend which it has been following for a hundred years, to a condition in which the old stable handicraft of the individual is the rule, and which, generally speaking, is nothing but an idealised restoration of small-scale enterprise, which has gone and is still going to rack and ruin. Once the workers are flung back into these stable conditions and the "social whirlpool" has been happily removed, the worker can naturally again make use of property in "hearth and home", and the above redemption theory appears less absurd. Proudhon only forgets that in order to accomplish all this he must first of all put back the clock of world history a hundred years, and that if he did he would turn the present-day workers into just such narrow-minded, crawling, sneaking servile souls as their great-great-grandfathers were.

As far, however, as this Proudhonist solution of the housing question contains any rational and practically applicable content it is already being carried out today, but this realisation does not spring from "the womb of the revolutionary idea", but from—the big bourgeois themselves. Let us listen to an excellent Spanish newspaper, *La Emancipacion*, of Madrid, of March 16, 1872^a:

"There is still another means of solving the housing question, the way proposed by Proudhon, which dazzles at first glance, but on closer examination reveals its utter impotence. Proudhon proposed that tenants should be converted into buyers on the instalment plan, that the rent paid annually be booked as an instalment on the redemption payment of the value of the particular dwelling, so that after a certain time the tenant would become its owner.²⁴³ This method, which Proudhon considered very revolutionary, is being put into operation in all countries by companies of speculators who thus secure double and treble the value of the houses by raising the rents. M. Dollfus and other big manufacturers in North-Eastern France have carried out this system not only in order to make money but, in addition, with a political idea at the back of their minds.

"The cleverest leaders of the ruling class have always directed their efforts towards increasing the number of small owners in order to build an army for themselves against the proletariat. The bourgeois revolutions of the last century

^a [P. Lafargue,] "Articulos de primera necesidad. II. La Habitacion", *La Emancipacion*, No. 40, March 16, 1872.—*Ed.*

divided up the big estates of the nobility and the church into small allotments, just as the Spanish republicans propose to do today with the still existing large estates, and created thereby a class of small landowners which has since become the most reactionary element in society and a permanent hindrance to the revolutionary movement of the urban proletariat. Napoleon III aimed at creating a similar class in the towns by reducing the denominations of the individual bonds of the public debt, and M. Dollfus and his colleagues sought to stifle all revolutionary spirit in their workers by selling them small dwellings to be paid for in annual instalments, and at the same time to chain the workers by this property to the factory once they worked in it.²⁴⁴ Thus the Proudhon plan, far from bringing the working class any relief, even turned directly against it.”*

How is the housing question to be settled, then? In present-day society, just as any other social question is settled: by the gradual economic levelling of demand and supply, a settlement which reproduces the question itself again and again and therefore is no settlement. How a social revolution would settle this question not only depends on the circumstances in each particular case, but is also connected with much more far-reaching questions, one of the most fundamental of which is the abolition of the antithesis between town and country. As it is not our task to create utopian systems for the organisation of the future society, it would be more than idle to go into the question here. But one thing is certain: there is already a sufficient quantity of houses in the big cities to remedy immediately all real “housing *shortage*”, provided they are used judiciously. This can naturally only occur through the expropriation of the present owners by quartering in their houses homeless workers or workers overcrowded in their present homes. As soon as the proletariat has won political power, such a measure prompted by concern for the common good will be just as easy to carry out as are other expropriations and billetings by the present-day state.

However, our Proudhonist is not satisfied with his previous achievements in the housing question. He must raise the question

* How this solution of the housing question by means of chaining the worker to his own “home” is arising spontaneously in the neighbourhood of big or rapidly rising American towns can be seen from the following passage of a letter by Eleanor Marx-Aveling, Indianapolis, November 28, 1886: “In, or rather near, Kansas City we saw some miserable little wooden shacks, containing about three rooms each, still in the wilds; the land cost 600 dollars and was just big enough to put the little house on it; the latter cost a further 600 dollars, that is, together, 4,800 marks, for a miserable little thing, an hour away from the town, in a muddy desert.” In this way the workers must shoulder heavy mortgage debts in order to obtain even these dwellings, and now indeed become the slaves of their employers. They are tied to their houses, they cannot go away, and must put up with whatever working conditions are offered them. [*Note by Engels to the 1887 edition.*]

from the level ground into the sphere of higher socialism in order that it may prove there also an essential "fractional part of the social question":

"Let us now assume that the productivity of capital is really taken by the horns, as it must be sooner or later, for instance, by a transitional law which *fixes the interest on all capitals at one per cent*, but mark you, with the tendency to make even this rate of interest approximate more and more to the zero point, so that finally nothing more will be paid than *the labour necessary to turn over the capital*. Like all other products, houses and dwellings are naturally also included within the purview of this law... The owner himself will be the first one to agree to a sale because otherwise his house would be unused and the capital invested in it simply useless."^a

This passage contains one of the chief articles of faith of the Proudhonist catechism and offers a striking example of the confusion prevailing in it.

The "productivity of capital" is an absurdity that Proudhon takes over uncritically from the bourgeois economists. The bourgeois economists, it is true, also begin with the proposition that labour is the source of all wealth and the measure of value of all commodities; but they likewise have to explain how it comes about that the capitalist who advances capital for an industrial or handicraft business receives back at the end of it not only the capital which he advanced but also a profit over and above it. In consequence they are compelled to entangle themselves in all sorts of contradictions and to ascribe also to capital a certain productivity. Nothing proves more clearly how completely Proudhon remains enmeshed in bourgeois thinking than the fact that he has taken over this phrase about the productivity of capital. We have seen at the very beginning that the so-called "productivity of capital" is nothing but the quality inherent in it (under present-day social relations, without which it would not be capital at all) of being able to appropriate the unpaid labour of wage-workers.

However, Proudhon differs from the bourgeois economists in that he does not approve of this "productivity of capital," but on the contrary, discovers in it a violation of "eternal justice". It is this productivity which prevents the worker from receiving the full proceeds of his labour. It must therefore be abolished. But how? By lowering the *rate of interest* by compulsory legislation and finally reducing it to zero. Then, according to our Proudhonist, capital will cease to be productive.

The interest on loaned *money* capital is only a part of profit; profit, whether on industrial or commercial capital, is only a part

^a [A. Mülberger,] op. cit., *Der Volksstaat*, No. 13, February 14, 1872.—Ed.

of the surplus value taken by the capitalist class from the working class in the form of unpaid labour. The economic laws which govern the rate of interest are as independent of those which govern the rate of surplus value as could possibly be the case with laws of one and the same form of society. But as far as the distribution of this surplus value among the individual capitalists is concerned, it is clear that for industrialists and merchants who have in their businesses large amounts of capital advanced by other capitalists the rate of profit must rise—all other things being equal—to the same extent as the rate of interest falls. The reduction and final abolition of interest would, therefore, by no means really take the so-called “productivity of capital” “by the horns”. It would do no more than re-arrange the distribution among the individual capitalists of the unpaid surplus value taken from the working class. It would not give an advantage to the worker as against the industrial capitalist, but to the industrial capitalist as against the rentier.

Proudhon, from his legal standpoint, explains the rate of interest, as he does all economic facts, not by the conditions of social production, but by the state laws in which these conditions receive their general expression. From this point of view, which lacks any inkling of the interconnection between the state laws and the conditions of production in society, these state laws necessarily appear as purely arbitrary orders which at any moment could be replaced just as well by their exact opposites. Nothing is, therefore, easier for Proudhon than to issue a decree—as soon as he has the power to do so—reducing the rate of interest to one per cent. And if all the other social conditions remain as they were, this Proudhonist decree will simply exist on paper only. The rate of interest will continue to be governed by the economic laws to which it is subject today, all decrees notwithstanding. Persons possessing credit will continue to borrow money at two, three, four and more per cent, according to circumstances, just as before, and the only difference will be that rentiers will be very careful to advance money only to persons with whom no litigation is to be expected. Moreover, this great plan to deprive capital of its “productivity” is as old as the hills; it is as old as—the *usury laws* which aim at nothing else but limiting the rate of interest, and which have since been abolished everywhere because in practice they were continually broken or circumvented, and the state was compelled to admit its impotence against the laws of social production. And the re-introduction of these medieval and unworkable laws is “to take the productivity of capital by the

horns"? One sees that the closer Proudhonism is examined the more reactionary it appears.

And when thereupon the rate of interest has been reduced to zero in this fashion, and interest on capital therefore abolished, then "nothing more will be paid than the labour necessary to turn over the capital". This is supposed to mean that the abolition of the rate of interest is equivalent to the abolition of profit and even of surplus value. But if it were possible *really* to abolish interest by decree, what would be the consequence? The class of *rentiers* would no longer have any inducement to loan out their capital in the form of advances, but would invest it industrially, either on their own or through joint-stock companies. The mass of surplus value extracted from the working class by the capitalist class would remain the same; only its distribution would be altered, and even that not much.

In fact, our Proudhonist fails to see that already now, in commodity purchase in bourgeois society, no more is paid on the average than "the labour necessary to turn over the capital" (it should read, necessary for the production of the commodity in question). Labour is the measure of value of all commodities, and in present-day society—apart from fluctuations of the market—it is absolutely impossible that in the aggregate more should be paid on the average for commodities than the labour necessary for their production. No, no, my dear Proudhonist, the difficulty lies elsewhere. It is contained in the fact that "the labour necessary to turn over the capital" (to use your confused terminology) is simply *not fully paid for*! How this comes about you can look up in Marx (*Capital*, pp. 128-60^a).

But that is not enough. If interest *on capital* is abolished, *house rent* is abolished with it; for, "like all other products, houses and dwellings are naturally also included within the purview of this law". This is quite in the spirit of the old Major who summoned his one-year volunteer recruit and declared:

"I say, I hear you are a doctor; you might report from time to time at my quarters; when one has a wife and seven children there is always something to patch up."

Recruit: "Excuse me, Major, but I am a doctor of philosophy."

Major: "That's all the same to me; one sawbones is the same as another."

Our Proudhonist behaves the same way: house rent or interest

^a Cf. the English edition of *Capital*, Vol. I, London, 1887, pp. 143-78.—Ed.

on capital, it is all the same to him. Interest is interest^a; sawbones is sawbones.

We have seen above that the rent price, commonly called house rent, is composed as follows: 1) a part which is ground rent; 2) a part which is interest on the building capital, including the profit of the builder; 3) a part which goes for repairs and insurance; 4) a part which has to amortise the building capital inclusive of profit in annual deductions according to the rate at which the house gradually depreciates.

And now it must have become clear even to the blindest that

“the owner himself will be the first one to agree to a sale because otherwise his house would be unused and the capital invested in it simply useless”.

Of course. If the interest on loaned capital is abolished, no house-owner can thereafter obtain a penny piece in rent for his house, simply because house rent may also be spoken of as rent *interest* and because such rent interest contains a part which is really interest on capital. Sawbones is sawbones. Whereas the usury laws relating to ordinary interest on capital could be made ineffective only by circumventing them, yet they never touched the rate of house rent even remotely. It was reserved for Proudhon to imagine that his new usury law would without more ado regulate and gradually abolish not only simple interest on capital but also the complicated house rent for dwellings.^b Why then the “simply useless” house should be purchased for good money from the house-owner, and how it is that under such circumstances the

^a The original has “Zins ist Zins”; a pun on “Mietzins” (house rent) and “Kapitalzins” (interest on capital).—*Ed.*

^b The passage “We have seen above ... house rent for dwellings” was edited by Engels for the 1887 edition; in *Der Volksstaat* No. 53 of July 3, 1872 it runs as follows:

“We have seen above that the rent price, commonly called house rent, is composed as follows: 1) a part which is ground rent, 2) a part which is profit, not interest, on the building capital, 3) a part which is the cost of repairs, maintenance, and insurance. It contains no part which is interest on capital, unless the house is encumbered with a mortgage debt.

“And now it must have become clear even to the blindest that ‘the owner himself will be the first one to agree to a sale because otherwise his house would be unused and the capital invested in it simply useless’. Of course. If the interest on loaned capital is abolished, no house-owner can thereafter obtain a penny piece in rent for his house, simply because house rent may also be spoken of as rent *interest*. Sawbones is sawbones.”

After the sentence “It contains no part which is interest on capital, unless the house is encumbered with a mortgage debt” in the 1872 separate reprint of Part I of *The Housing Question* Engels made the following note, omitted in the 1887 edition:

house-owner would not pay money himself to get rid of this “simply useless” house in order to save himself the cost of repairs—about this we are left in the dark.

After this triumphant achievement in the sphere of higher socialism (Master Proudhon called it suprasocialism^a) our Proudhonist considers himself justified in flying still higher:

“All that still has to be done now is to draw some conclusions in order to cast complete light from all sides on our so important subject.”^b

And what are these conclusions? Things which follow as little from what has been said before as the worthlessness of dwelling houses from the abolition of interest. Stripped of the pompous and solemn phraseology of our author, they mean nothing more than that, in order to facilitate the business of redemption of rented dwellings, the following is desirable: 1) exact statistics on the subject; 2) a good sanitary inspection force; 3) co-operatives of building workers to undertake the building of new houses. All these things are certainly very fine and good, but, despite all the vociferous phrases in which they are enveloped, they by no means cast “complete light” into the obscurity of Proudhonist mental confusion.

One who has achieved such great things has the right to address a serious exhortation to the German workers:

“Such and similar questions, it would seem to us, are well worth the attention of the Social-Democracy.... Let it seek to clarify its mind, as here on the housing question, so also on other and equally important questions, such as *credit, state debts, private debts, taxes,*” etc.^c

Thus, our Proudhonist here confronts us with the prospect of a whole series of articles on “similar questions”, and if he deals with them all as thoroughly as with the present “so important subject”, the *Volksstaat* will have copy enough for a year. But we are in a position to anticipate—it all amounts to what has already been said: interest on capital is to be abolished and with that the interest

“*For the capitalist who buys a ready-built house, part of the rent price, which is not composed of ground rents and overhead expenses, may appear in the form of interest on capital. But this alters nothing because it does not matter whether the builder of the house lets it himself or sells it for that purpose to another capitalist.*”—*Ed.*

^a P. J. Proudhon, *Système des contradictions économiques, ou Philosophie de la misère*, Vol. 1, Paris, 1846, p. III (Proudhon has “suprasocial”).—*Ed.*

^b [A. Mülberger,] op. cit., *Der Volksstaat*, No. 13, February 14, 1872.—*Ed.*

^c Ibid.—*Ed.*

on public and private debts disappears, credit will be gratis, etc. The same magic formula is applied to any and every subject and in each particular case the same astonishing result is obtained with inexorable logic, namely, that when interest on capital has been abolished no more interest will have to be paid on borrowed money.

They are fine questions, by the way, with which our Proudhonist threatens us: *Credit!* What credit does the worker need besides that from week to week, or the credit he obtains at the pawnshop? Whether he gets this credit free or at interest, even at the usurious interest charged by the pawnshop, how much difference does that make to him? And if he did, generally speaking, obtain some advantage from it, that is to say, if the cost of production of labour power were reduced, would not the price of labour power be bound to fall?—But to the bourgeois, and in particular to the petty bourgeois, credit is an important matter, and it would be a very fine thing for the petty bourgeois in particular if credit could be obtained at any time, and besides without payment of interest. “State debts!” The working class knows that it did not make them, and when it comes to power it will leave the payment of them to those who contracted them. “Private debts!”—see credit. “Taxes!” A matter that interests the bourgeoisie very much but the worker only very little. What the worker pays in taxes goes in the long run into the cost of production of labour power and must therefore be compensated for by the capitalist. All these things which are held up to us here as highly important questions for the working class are in reality of essential interest only to the bourgeois, and still more so to the petty bourgeois; and, despite Proudhon, we maintain that the working class is not called upon to safeguard the interests of these classes.

Our Proudhonist has not a word to say about the great question which really concerns the workers, that of the relation between capitalist and wage-worker, the question of how it comes about that the capitalist can enrich himself by the labour of his workers. True enough, his lord and master did occupy himself with it, but introduced absolutely no clearness into the matter. Even in his latest writings he has got essentially no farther than he was in his *Philosophie de la misère*, which Marx so strikingly reduced to nothingness in 1847.^a

^a K. Marx, *The Poverty of Philosophy. Answer to the “Philosophy of Poverty” by M. Proudhon.*—Ed.

It was bad enough that for twenty-five years the workers speaking Romance languages had almost no other socialist mental pabulum than the writings of this "socialist of the Second Empire", and it would be a double misfortune if the Proudhonist theory were now to inundate Germany too. However, there need be no fear of this. The theoretical standpoint of the German workers is fifty years ahead of that of Proudhonism, and it will be sufficient to make an example of this *one* question, the housing question, to save further trouble in this respect.

Part II

HOW THE BOURGEOISIE SOLVES THE HOUSING QUESTION

I

In the section on the *Proudhonist* solution of the housing question it was shown how greatly the petty bourgeoisie is directly interested in this question. However, the big bourgeoisie is also very much interested in it, even if indirectly. Modern natural science has proved that the so-called "bad districts", in which the workers are crowded together, are the breeding places of all those epidemics which from time to time afflict our towns. Cholera, typhus, typhoid fever, small-pox and other ravaging diseases spread their germs in the pestilential air and the poisoned water of these working-class quarters. Here the germs hardly ever die out completely, and as soon as circumstances permit they develop into epidemics and then spread beyond their breeding places into the more airy and healthy parts of the town inhabited by Messrs. the capitalists. Capitalist rule cannot allow itself the pleasure of generating epidemic diseases among the working class with impunity; the consequences fall back on it and the angel of death rages in the ranks of the capitalists as ruthlessly as in the ranks of the workers.

As soon as this fact had been scientifically established the philanthropic bourgeois became inflamed with a noble spirit of competition in their solicitude for the health of their workers. Societies were founded, books were written, proposals drawn up, laws debated and passed, in order to stop up the sources of the ever-recurring epidemics. The housing conditions of the workers were investigated and attempts made to remedy the most crying evils. In England particularly, where the largest number of big

towns existed and where the bourgeoisie itself was, therefore, running the greatest risk, extensive activity began. Government commissions were appointed to inquire into the hygienic conditions of the working classes. Their reports, honourably distinguished from all continental sources by their accuracy, completeness and impartiality, provided the basis for new, more or less thoroughgoing laws. Imperfect as these laws are, they are still infinitely superior to everything that has been done in this direction up to the present on the Continent. Nevertheless, the capitalist order of society reproduces again and again the evils to be remedied, and does so with such inevitable necessity that even in England the remedying of them has hardly advanced a single step.

Germany, as usual, needed a much longer time before the chronic sources of infection existing there also reached the acute stage necessary to arouse the somnolent big bourgeoisie. But he who goes slowly goes surely, and so among us too there finally has arisen a bourgeois literature on public health and the housing question, a watery extract of its foreign, and in particular its English, predecessors, to which it is sought fraudulently to impart a semblance of higher conception by means of fine-sounding and unctuous phrases. *Die Wohnungszustände der arbeitenden Classen und ihre Reform*, by Dr. Emil Sax, Vienna, 1869, belongs to this literature.

I have selected this book for a presentation of the bourgeois treatment of the housing question only because it makes the attempt to summarise as far as possible the bourgeois literature on the subject. And a fine literature it is which serves our author as his "sources"! Of the English parliamentary reports, the real main sources, only three, the very oldest,^a are mentioned by name; the whole book proves that its author has *never glanced at even a single one of them*. On the other hand, a whole series of banal bourgeois, well-meaning philistine and hypocritical philanthropic writings are enumerated: Ducpétiaux, Roberts, Hole, Huber,²⁴⁵ the proceedings of the English social science (or rather social bosh) congresses,^b the *Zeitschrift des Vereins für das Wohl der arbeitenden Klassen* in Prussia, the official Austrian report on the World Exhibition in Paris,^c the official Bonapartist reports on the same

^a For 1837, 1839 and 1842.—Ed.

^b *Transactions of the National Association for the Promotion of Social Science*, London, 1859-1865.—Ed.

^c *Bericht über die Welt-Ausstellung zu Paris im Jahre 1867*, Vienna, 1869.—Ed.

subject,^a *The Illustrated London News*,^b *Über Land und Meer*,^c and finally “a recognised authority”, a man of “acute practical perception”, of “convincing impressiveness of speech”, namely—*Julius Faucher*^d! All that is missing in this list of sources is the *Gartenlaube*, *Kladderadatsch* and the *Fusilier Kutschke*.^e

In order that no misunderstanding may arise concerning the standpoint of Herr Sax, he declares on page 22:

“By social economy we mean the doctrine of national economy in its application to social questions; or to put it more precisely, the totality of the ways and means which this science offers us *for raising the so-called*” (!) “*propertyless classes to the level of the propertied classes, on the basis of its ‘iron’ laws within the framework of the order of society at present prevailing.*”

We shall not go into the confused idea that generally speaking “the doctrine of national economy”, or political economy, deals with other than “social” questions. We shall get down to the main point immediately. Dr. Sax demands that the “iron laws” of bourgeois economics, the “framework of the order of society at present prevailing”, in other words, the capitalist mode of production, must continue to exist unchanged, but nevertheless the “so-called propertyless classes” are to be raised “to the level of the propertied classes”. Now, it is an unavoidable preliminary condition of the capitalist mode of production that a really, and not a so-called, propertyless class, should exist, a class which has nothing to sell but its labour power and which is therefore compelled to sell its labour power to the industrial capitalists. The task of the new science of social economy invented by Herr Sax is, therefore, to find ways and means—in a state of society founded on the antagonism of capitalists, owners of all raw materials, instruments of production and means of subsistence, on the one hand, and of propertyless wage-workers, who call only their labour power and nothing else their own, on the other hand—by which,

^a *L'Enquête du dixième groupe*, Paris, 1867.—*Ed.*

^b Ed. Chadwick, “Report on Dwellings Characterised by Cheapness Combined with the Conditions Necessary for Health and Comfort”, *The Illustrated London News*, Vol. 51, No. 1434/1435, July 6, 1867.—*Ed.*

^c L. Walesrode, “Eine Arbeiter-Heimstätte in Schwaben”, *Über Land und Meer*, Nos. 35, 36, 44 and 45, 1868.—*Ed.*

^d J. Faucher, “Die Bewegung für Wohnungsreform”, *Vierteljahrsschrift für Volkswirtschaft und Kulturgeschichte*, Vol. 4, 1865 and Vol. 3, 1866; “Bericht über die Verhandlungen des neunten Kongresses deutscher Volkswirthe zu Hamburg am 26., 27., 28. und 29. August 1867”, *ibid.*, Vol. 3, 1867.—*Ed.*

^e Pseudonym of Gotthelf Hoffmann, author of nationalist soldier songs.—*Ed.*

under this state of society, all wage-workers can be turned into capitalists without ceasing to be wage-workers. Herr Sax thinks he has solved this question. Perhaps he would be so good as to show us how all the soldiers of the French army, each of whom carries a marshal's baton in his knapsack since the days of the old Napoleon, can be turned into field marshals without at the same time ceasing to be privates. Or how it could be brought about that all the forty million subjects of the German Empire could be made German emperors.

It is the essence of bourgeois socialism to want to maintain the basis of all the evils of present-day society and at same time to want to abolish the evils themselves. As already pointed out in the *Communist Manifesto*, the bourgeois socialists are desirous of "redressing social grievances, in order to secure the continued existence of bourgeois society"; they want "*a bourgeoisie without a proletariat*".^a We have seen that Herr Sax formulates the problem in exactly the same fashion. Its solution he finds in the solution of the housing problem. He is of the opinion that

"by improving the housing of the labouring classes it would be possible successfully to remedy the material and spiritual misery which has been described, and thereby"—by a radical improvement of the housing conditions *alone*—"to raise the greater part of these classes out of the morass of their often hardly human conditions of existence to the pure heights of material and spiritual well-being" (page 14).

Incidentally, it is in the interest of the bourgeoisie to gloss over the fact of the existence of a proletariat created by the bourgeois relations of production and determining the continued existence of these relations. Therefore Herr Sax tells us (page 21) that the expression labouring classes is to be understood as including all "impecunious social classes", "and, in general, people in a small way, such as handicraftsmen, widows, pensioners" (!), "subordinate officials, etc." as well as actual workers. Bourgeois socialism extends its hand to the petty-bourgeois variety.

Whence the housing shortage then? How did it arise? As a good bourgeois, Herr Sax is not supposed to know that it is a necessary product of the bourgeois social order; that it cannot fail to be present in a society in which the great labouring masses are exclusively dependent upon wages, that is to say, upon the quantity of means of subsistence necessary for their existence and for the propagation of their kind; in which improvements of the machinery, etc., continually throw masses of workers out of

^a See present edition, Vol. 6, p. 513.—Ed.

employment; in which violent and regularly recurring industrial fluctuations determine on the one hand the existence of a large reserve army of unemployed workers, and on the other hand drive the mass of the workers from time to time on to the streets unemployed; in which the workers are crowded together in masses in the big towns at a quicker rate than dwellings come into existence for them under the prevailing conditions, in which, therefore, there must always be tenants even for the most infamous pigsties; and in which finally the house-owner in his capacity as capitalist has not only the right but, by reason of competition, to a certain extent also the duty of ruthlessly making as much out of his property in house rent as he possibly can. In such a society the housing shortage is no accident; it is a necessary institution and can be abolished together with all its effects on health, etc., only if the whole social order from which it springs is fundamentally refashioned. That, however, bourgeois socialism dare not know. It *dare* not explain the housing shortage as arising from the existing conditions. And therefore it has no other way but to explain the housing shortage by moralising that it is the result of the wickedness of man, the result of original sin, so to speak.

“And here we cannot fail to recognise—and in consequence we cannot deny” (daring conclusion!)—“that the blame ... rests partly *with the workers themselves*, those who want dwellings, and partly, the much greater part, it is true, with those who undertake to supply the need or those who, although they have sufficient means at their command, make no attempt to supply the need, namely, *the propertied, higher social classes*. The latter are to be blamed ... because they do not make it their business to provide for a sufficient supply of good dwellings.” [Page 25.]

Just as Proudhon takes us from the sphere of economics into the sphere of legal phrases, so our bourgeois socialist takes us here from the economic sphere into the moral sphere. And nothing is more natural. Whoever declares that the capitalist mode of production, the “iron laws” of present-day bourgeois society, are inviolable, and yet at the same time would like to abolish their unpleasant but necessary consequences, has no other recourse but to deliver moral sermons to the capitalists, moral sermons whose emotional effects immediately evaporate under the influence of private interest and, if necessary, of competition. These moral sermons are in effect exactly the same as those of the hen at the edge of the pond in which she sees the brood of ducklings she has hatched out gaily swimming. Ducklings take to the water although it has no beams, and capitalists pounce on profit although it is

heartless. "There is no room for sentiment in money matters," was already said by old Hansemann,^a who knew more about it than Herr Sax.

"Good dwellings are so expensive that *it is absolutely impossible* for the greater part of the workers to make use of them. Big capital ... is shy of investing in houses for the working classes ... and as a result these classes and their housing needs fall mostly a prey to the speculators." [Page 27.]

Disgusting speculation—big capital naturally never speculates! But it is not ill will, it is only ignorance which prevents big capital from speculating in workers' houses:

"House-owners do not *know* at all what a great and important role ... is played by a normal satisfaction of housing needs; *they do not know what they are doing to the people* when they offer them, as a general rule so irresponsibly, bad and harmful dwellings, and, finally, they do not *know* how they damage themselves thereby." (Page 27.)

However, the ignorance of the capitalists must be supplemented by the ignorance of the workers before a housing shortage can be created. After Herr Sax has admitted that "the very lowest sections" of the workers "are obliged" (!) "to seek a night's lodging wherever and however they can find it in order not to remain altogether without shelter and in this connection are absolutely defenceless and helpless", he tells us:

"For it is a well-known fact that many among them" (the workers) "from carelessness, but chiefly from ignorance, deprive their bodies, one is almost inclined to say, with virtuosity, of the conditions of natural development and healthy existence, in that they *have not the faintest idea* of rational hygiene and, in particular, of the enormous importance that attaches to the dwelling in this hygiene." (Page 27.)

Here however the bourgeois donkey's ears protrude. Where the capitalists are concerned "blame" evaporates into ignorance, but where the workers are concerned ignorance is made the cause of their guilt. Listen:

"Thus it comes" (namely, through ignorance) "that if they can only save something on the rent they will move into dark, damp and inadequate dwellings, which are in short a mockery of all the demands of hygiene ... that often several families together rent a single dwelling, and even a single room—all this in order to spend as little as possible on rent, while on the other hand they *squander* their income *in truly sinful fashion on drink and all sorts of idle pleasures*"

The money which the workers "waste on spirits and tobacco" (page 28), the "life in the pubs with all its regrettable consequen-

^a D. Hansemann's speech at the 34th sitting of the First United Diet, June 8, 1847. *Preussens Erster Reichstag*, Part 7, Berlin, 1847, p. 55.—Ed.

ces, which drags the workers again and again like a dead weight back into the mire", lies indeed like a dead weight in Herr Sax's stomach. The fact that under the existing circumstances drunkenness among the workers is a necessary product of their living conditions, just as necessary as typhus, crime, vermin, bailiff and other social ills, so necessary in fact that the average figures of those who succumb to inebriety can be calculated in advance, is again something that Herr Sax cannot allow himself to know. My old primary school teacher used to say, by the way: "The common people go to the pubs and the people of quality go to the clubs," and as I have been in both I am in a position to confirm it.

The whole talk about the "ignorance" of both parties amounts to nothing but the old phrases about the harmony of interests of labour and capital. If the capitalists knew their true interests, they would give the workers good houses and improve their position in general; and if the workers understood their true interests, they would not go on strike, they would not go in for Social-Democracy, they would not play politics, but would be nice and follow their betters, the capitalists. Unfortunately, both sides find their interests altogether elsewhere than in the sermons of Herr Sax and his countless predecessors. The gospel of harmony between capital and labour has been preached for almost fifty years now, and bourgeois philanthropy has expended large sums of money to prove this harmony by building model institutions; yet, as we shall see later, we are today exactly where we were fifty years ago.

Our author now proceeds to the practical solution of the problem. How little revolutionary Proudhon's proposal to make the workers *owners* of their dwellings was can be seen from the fact that bourgeois socialism even before him tried to carry this proposal out in practice and is still trying to do so. Herr Sax also declares that the housing problem can be completely solved only by transferring property in dwellings to the workers. (Pages 58 and 59.) More than that, he goes into poetic raptures at the idea, giving vent to his feelings in the following outburst of enthusiasm:

"There is something peculiar about the longing inherent in man to own land; it is an urge which not even the *feverishly pulsating business life* of the present day has been able to abate. It is the unconscious appreciation of the significance of the economic achievement represented by landownership. With it the individual obtains a secure hold; he is rooted firmly in the earth, as it were, and every enterprise" (!) "has its most permanent basis in it. However, the blessings of landownership extend far beyond these material advantages. Whoever is fortunate enough to call a piece of land his own has *reached the highest conceivable stage of economic independence*; he has a territory on which he can rule with *sovereign* power; he is his

own master; he has a certain power and a *sure support* in time of need; his self-confidence develops and with this his moral strength. Hence the deep significance of property in the question before us... The worker, today helplessly exposed to all the vicissitudes of economic life and in constant dependence on his employer, would thereby be saved to a certain extent from this precarious situation; *he would become a capitalist* and be safeguarded against the dangers of unemployment or incapacitation as a result of the credit which his real estate would open to him. *He would thus be raised from the ranks of the propertyless into the propertied class.*" (Page 63.)

Herr Sax seems to assume that man is essentially a peasant, otherwise he would not falsely impute to the workers of our big cities a longing to own land, a longing which no one else has discovered in them. For our workers in the big cities freedom of movement is the prime condition of existence, and landownership can only be a fetter to them. Give them their own houses, chain them once again to the soil and you break their power of resistance to the wage cutting of the factory owners. The individual worker might be able to sell his house on occasion, but during a big strike or a general industrial crisis^a all the houses belonging to the workers affected would have to be put up for sale and would therefore find no purchasers or be sold off far below their cost price. And even if they all found purchasers, Herr Sax's whole grand housing reform would have come to nothing and he would have to start from the beginning again. However, poets live in a world of fantasy, and so does Herr Sax, who imagines that a landowner has "reached the highest stage of economic independence", that he has "a sure support", that "*he would become a capitalist* and be safeguarded against the dangers of unemployment or incapacitation as a result of the credit which his real estate would open to him", etc. Herr Sax should take a look at the French and our own Rhenish small peasants. Their houses and fields are loaded down with mortgages, their harvests belong to their creditors before they are reaped, and it is not they who rule with sovereign power on their "territory" but the usurer, the lawyer and the bailiff. That certainly represents the highest conceivable stage of economic independence—for the usurer! And in order that the workers may bring their little houses as quickly as possible under the same sovereignty of the usurer, our well-meaning Herr Sax carefully points to the *credit* which their *real estate* can secure them in times of unemployment or incapacitation instead of their becoming a burden on the poor rate.

^a The words "or a general industrial crisis" were added by Engels in the 1887 edition.— *Ed.*

In any case, Herr Sax has solved the question raised in the beginning: the worker "*becomes a capitalist*" by acquiring his own little house.

Capital is the command over the unpaid labour of others. The little house of the worker can therefore become capital only if he rents it to a third person and appropriates a part of the labour product of this third person in the form of rent. But the house is prevented from becoming capital precisely by the fact that the worker lives in it himself, just as a coat ceases to be capital the moment I buy it from the tailor and put it on. The worker who owns a little house to the value of a thousand thalers is, true enough, no longer a proletarian, but it takes Herr Sax to call him a capitalist.

However, this capitalist streak of our worker has still another side. Let us assume that in a given industrial area it has become the rule that each worker owns his own little house. In that case *the working class of that area lives rent-free*; housing expenses no longer enter into the value of its labour power. Every reduction in the cost of production of labour power, that is to say, every permanent price reduction in the worker's necessities of life is equivalent "on the basis of the iron laws of the doctrine of national economy" to a depression of the value of labour power and will therefore finally result in a corresponding drop in wages. Wages would thus fall on an average as much as the average sum saved on rent, that is, the worker would pay for his own house, but not, as formerly, in money to the house-owner, but in unpaid labour to the factory owner for whom he works. In this way the savings of the worker invested in his little house would in a certain sense become capital, however not capital for him but for the capitalist employing him.

Herr Sax thus lacks the ability to turn his worker into a capitalist even on paper.

Incidentally, what has been said above applies to all so-called social reforms which can be reduced to saving schemes or to cheapening the means of subsistence of the worker. Either they become general and then they are followed by a corresponding reduction of wages or they remain quite isolated experiments and then their very existence as isolated exceptions proves that their realisation on an extensive scale is incompatible with the existing capitalist mode of production. Let us assume that in a certain area a general introduction of consumers' co-operatives succeeds in reducing the cost of the means of subsistence for the workers by 20 per cent. Hence in the long run wages would fall in that area

by approximately 20 per cent, that is to say, in the same proportion as the means of subsistence in question enter into the budget of the workers. If the worker, for example, spends three-quarters of his weekly wage on these means of subsistence, wages would in the end fall by $\frac{3}{4} \times 20 = 15$ per cent. In short, as soon as any such saving reform has become general, the worker's wages diminish by as much as his savings permit him to live cheaper. Give *every* worker an independent income of 52 thalers, achieved by saving, and his weekly wage must finally fall one thaler. Therefore, the more he saves the less he will receive in wages. He saves, therefore, not in his own interest but in the interest of the capitalist. What else is needed to "stimulate" in him "in the most powerful fashion ... the primary economic virtue, thrift"? (Page 64.)

Incidentally, Herr Sax tells us immediately afterwards that the workers are to become house-owners not so much in their own interest as in the interest of the capitalists:

"However, not only the working class but society as a whole has the greatest interest in seeing as many of its members as possible bound" (!) "to the land" (I should like to see Herr Sax himself even for once in this posture).^a "...All the secret forces which set on fire the volcano called the social question which glows under our feet, the proletarian bitterness, the hatred, ... the dangerous confusion of ideas, ... must all disappear like mist before the morning sun when ... the workers themselves enter in this fashion into the ranks of the propertied class." (Page 65.)

In other words, Herr Sax hopes that by a shift in their proletarian status, such as would be brought about by the acquisition of a house, the workers would also lose their proletarian character and become once again obedient toadies like their forefathers, who were also house-owners. The Proudhonists should lay this thing to heart.

Herr Sax believes he has thereby solved the social question:

"A *juster distribution of goods*, the riddle of the Sphinx which so many have already tried in vain to solve, does it not now lie before us as a tangible fact, has it not thereby been taken from the regions of ideals and brought into the realm of reality? And if it is carried out, does this not mean the achievement of one of the highest aims, one which even the *socialists of the most extreme tendency present as the culminating point of their theories?*" (Page 66.)

It is really lucky that we have worked our way through as far as this, because this shout of triumph is the "summit" of the Saxian book. From now on we once more gently descend from "the

^a In the 1887 edition, Engels made the quotation shorter by deleting here the following sentence: "Landownership ... diminishes the number of those who struggle against the rule of the propertied class."—Ed.

regions of ideals" to flat reality, and when we get down we shall find that nothing, nothing at all, has changed in our absence.

Our guide takes us the first step down by informing us that there are two systems of workers' dwellings: the COTTAGE SYSTEM, in which each working-class family has its own little house and if possible a little garden as well, as in England; and the barrack system of the large tenement houses containing numerous workers' dwellings, as in Paris, Vienna, etc. Between the two is the system prevailing in Northern Germany. Now it is true, he tells us, that the COTTAGE SYSTEM is the only correct one, and the *only one* whereby the worker can acquire the ownership of his own house; besides, he argues, the barrack system has very great disadvantages with regard to hygiene, morality and domestic peace. But, alas and alack! says he, the COTTAGE SYSTEM is not realisable in the centres of the housing shortage, in the big cities, on account of the high cost of land, and one should, therefore, be glad if houses were built containing from four to six flats instead of big barracks, or if the main disadvantages of the barrack system were alleviated by various ingenious building devices. (Pages 71-92.)

We have come down quite a bit already, haven't we? The transformation of the workers into capitalists, the solution of the social question, a house of his own for each worker—all these things have been left behind, up above in "the regions of ideals". All that remains for us to do is to introduce the COTTAGE SYSTEM into the countryside and to make the workers' barracks in the cities as tolerable as possible.

On its own admission, therefore, the bourgeois solution of the housing question has come to grief—it has come to grief owing to the *antithesis between town and country*. And with this we have arrived at the kernel of the problem. The housing question can be solved only when society has been sufficiently transformed for a start to be made towards abolishing the antithesis between town and country, which has been brought to its extreme point by present-day capitalist society. Far from being able to abolish this antithesis, capitalist society on the contrary is compelled to intensify it day by day. On the other hand, already the first modern utopian socialists, Owen and Fourier, correctly recognised this. In their model structures the antithesis between town and country no longer exists. Consequently there takes place exactly the opposite of what Herr Sax contends: it is not that the solution of the housing question simultaneously solves the social question, but that only by the solution of the social question, that is, by the abolition of the capitalist mode of production, is the solution of

the housing question made possible. To want to solve the housing question while at the same time desiring to maintain the modern big cities is an absurdity. The modern big cities, however, will be abolished only by the abolition of the capitalist mode of production, and when this is once set going there will be quite other issues than supplying each worker with a little house of his own.

In the beginning, however, each social revolution will have to take things as it finds them and do its best to get rid of the most crying evils with the means at its disposal. And we have already seen that the housing *shortage* can be remedied immediately by expropriating a part of the luxury dwellings belonging to the propertied classes and by compulsory quartering in the remaining part.

If now Herr Sax, continuing, once more leaves the big cities and delivers a verbose discourse on working-class colonies to be established *near* the towns, if he describes all the beauties of such colonies with their common "water supply, gas lighting, air or hot-water heating, laundries, drying-rooms, bath-rooms, etc.", each with its "nursery, school, prayer hall" (!), "reading-room, library, ... wine and beer hall, dancing and concert hall in all respectability", with steam power fitted to all the houses so that "to a certain extent production can be transferred back from the factory to the domestic workshop"—this does not alter the situation at all. The colony he describes has been directly borrowed by Herr Huber^a from the socialists Owen and Fourier and merely made entirely bourgeois by discarding everything socialist about it. Thereby, however, it has become really utopian. No capitalist has any interest in establishing such colonies, and in fact none such exists anywhere in the world, except in Guise in France, and that was built by a follower of Fourier,²⁴⁶ not as profitable speculation but as a socialist experiment.* Herr Sax might just as well have quoted in support of his bourgeois project-spinning the example of the communist colony HARMONY HALL²⁴⁷ founded by Owen in Hampshire at the beginning of the forties and long since defunct.

* And this one also has finally become a mere site of working-class exploitation. See the Paris *Socialiste* of 1886.^b [*Note by Engels to the 1887 edition.*]

^a V. A. Huber, "Ueber innere Colonisation", *Janus*, 1846, Parts 7 and 8.—*Ed.*

^b "Le Familistère de Guise" and "Le programme de M. Godin", *Le Socialiste*, Nos. 45 and 48, July 3 and 24, 1886.—*Ed.*

In any case, all this talk about building colonies is nothing more than a lame attempt to soar again into "the regions of ideals" and it is immediately afterwards again abandoned. We descend rapidly again. The simplest solution now is

"that the employers, the factory owners, should assist the workers to obtain suitable dwellings, whether they do so by building such themselves or by encouraging and assisting the workers to do their own building, providing them with land, advancing them building capital, etc." (Page 106.)

With this we are once again out of the big towns, where there can be no question of anything of the sort, and back in the country. Herr Sax now proves that here it is in the interest of the factory owners themselves that they should assist their workers to obtain tolerable dwellings, on the one hand because it is a good investment, and on the other hand because the inevitably

"resulting uplift of the workers ... must entail an increase of their mental and physical working capacity, which naturally is of ... no less ... advantage to the employers. With this, however, the right point of view for the participation of the latter in the solution of the housing question is given. It appears as the outcome of a *latent association*, as the outcome of the care of the employers for the physical and economic, mental and moral well-being of their workers, which is concealed for the most part under the cloak of humanitarian endeavours and which is its own pecuniary reward because of its successful results: the producing and maintaining of a diligent, skilled, willing, contented and *devoted* working class." (Page 108.)

The phrase "latent association" with which Huber attempts to endow this bourgeois philanthropic drivél with a "loftier significance",^a does not alter the situation at all. Even without this phrase the big rural factory owners, particularly in England, have long ago realised that the building of workers' dwellings is not only a necessity, a part of the factory equipment itself, but also that it pays very well. In England whole villages have grown up in this way, and some of them have later developed into towns. The workers, however, instead of being thankful to the philanthropic capitalists, have always raised very considerable objections to this "COTTAGE SYSTEM". Not only are they compelled to pay monopoly prices for these houses because the factory owner has no competitors, but immediately a strike breaks out they are homeless because the factory owner throws them out of his houses without any more ado and thus renders any resistance very difficult. Details can be studied in my *Condition of the Working-Class in England*, pp. 224 and 228.^b Herr Sax, however, thinks that these

^a V. A. Huber, *Soziale Fragen. IV. Die latente Association*, Nordhausen, 1866.—Ed.

^b See present edition, Vol. 4, pp. 471-72, 477.—Ed.

objections "hardly deserve refutation" (page 111). But does he not want to make the worker the owner of his little house? Certainly, but as

"the employers must always be in a position to dispose of the dwelling in order that when they dismiss a worker they may have room for the one who replaces him", well then, there is nothing for it but "to make provision for such cases *by agreeing that the ownership shall be revocable.*" (Page 113.)*

This time we have stepped down with unexpected suddenness. First it was said the worker must own his own little house. Then we were informed that this was impossible in the towns and could be carried out only in the country. And now we are told that ownership even in the country is to be "*revocable by agreement*"! With this new sort of property for the workers discovered by Herr Sax, with this transformation of the workers into capitalists "*revocable by agreement*", we have safely arrived again on level ground, and have here to examine what the capitalists and other philanthropists have *actually* done to solve the housing question.

II

If we are to believe our Dr. Sax, much has already been done by these gentlemen, the capitalists, to remedy the housing shortage, and the proof has been provided that the housing problem can be solved on the basis of the capitalist mode of production.

First of all, Herr Sax cites to us the example of—Bonapartist France! As is known, Louis Bonaparte appointed a commission at the time of the Paris World Exhibition ostensibly to report upon the situation of the working classes in France, but in reality to describe their situation as blissful in the extreme, to the greater glory of the Empire. And it is to the report of *this* commission,

* In this respect too the English capitalists have long ago not only fulfilled but far exceeded all the cherished wishes of Herr Sax. On Monday, October 14, 1872, the court in Morpeth for the establishment of the lists of parliamentary electors had to adjudicate a petition on behalf of 2,000 miners to have their names enrolled on the list of parliamentary voters. It transpired that the greater number of these men, according to the regulations of the mine at which they were employed, were *not* to be regarded as *lessees* of the dwellings in which they lived but as occupying these dwellings *on sufferance*, and could be thrown out of them at any moment without notice. (The mine-owner and house-owner were naturally one and the same person.) The judge decided that these men were not *lessees* but *servants*, and as such not entitled to be included in the list of voters. ([*"The Miners' Right to Vote"*], *The Daily News*, [No. 8258,] October 15, 1872.)

composed of the corruptest tools of Bonapartism,^a that Herr Sax refers, particularly because the results of its work are, "according to the authorised committee's *own statement*, fairly complete for France". And what are these results? Of eighty-nine big industrialists or joint-stock companies which gave information, thirty-one had built *no* workers' dwellings at all. According to Sax's own estimate the dwellings that were built house at the most from 50,000 to 60,000 people and consist almost exclusively of no more than two rooms for each family!

It is obvious that every capitalist who is tied down to a particular rural locality by the conditions of his industry—water power, the location of coal mines, iron-ore deposits and other mines, etc.—must build dwellings for his workers if none are available. To see in this a proof of "latent association", "an eloquent testimony to a growing understanding of the question and its wide import", a "very promising beginning" (page 115), requires a highly developed habit of self-deception. For the rest, the industrialists of the various countries differ from each other in this respect also, according to their national character. For instance, Herr Sax informs us (page 117):

"In *England only quite recently* has increased activity on the part of employers in this direction been observable. This refers in particular to the out-of-the-way hamlets in the rural areas... The circumstance that otherwise the workers often have to walk a long way from the nearest village to the factory and arrive there so exhausted that they do not perform enough work is the employers' main *motive for building dwellings* for their workers. However, the number of those who have a *deeper understanding* of conditions and who combine with the cause of housing *reform* more or less all the other elements of latent association is also increasing, and it is these people to whom credit is due for the establishment of those flourishing colonies... The names of Ashton in Hyde, Ashworth in Turton, Grant in Bury, Greg in Bollington, Marshall in Leeds, Strutt in Belper, Salt in Saltaire, Ackroyd in Copley, and others are well known on this account throughout the United Kingdom."

Blessed simplicity, and still more blessed ignorance! The English rural factory owners have only "quite recently" been building workers' dwellings! No, my dear Herr Sax, the English capitalists are really big industrialists, not only as regards their purses but also as regards their brains. Long before Germany possessed a really large-scale industry they had realised that for factory production in the rural districts expenditure on workers' dwellings was a necessary part of the total investment of capital, and a very profitable one, both directly and indirectly. Long before the

^a *L'Enquête du dixième groupe*, Paris, 1867.—Ed.

struggle between Bismarck and the German bourgeois had given the German workers freedom of association,²⁴⁸ the English factory, mine and foundry owners had had practical experience of the pressure they can exert on striking workers if they are at the same time the landlords of those workers. "The flourishing colonies" of a Greg, an Ashton and an Ashworth are so "recent" that even forty years ago they were hailed by the bourgeoisie as models, as I myself wrote twenty-eight years ago. (*The Condition of the Working-Class in England*. Note on pp. 228-30.^a) The colonies of Marshall and Akroyd (that is how the man spells his name) are about as old, and the colony of Strutt is even much older, its beginnings reaching back into the last century. Since in England the average duration of a worker's dwelling is reckoned as forty years, Herr Sax can calculate on his fingers the dilapidated condition in which these "flourishing colonies" are today. In addition, the majority of these colonies are now no longer in the countryside. The colossal expansion of industry has surrounded most of them with factories and houses to such an extent that they are now situated in the middle of dirty, smoky towns with 20,000, 30,000 and more inhabitants. But all this does not prevent German bourgeois science, as represented by Herr Sax, from devoutly repeating today the old English paeans of praise of 1840, which no longer have any application.

And to give us old Akroyd as an example!^b This worthy was certainly a philanthropist of the first water. He loved his workers, and in particular his female employees, to such an extent that his less philanthropic competitors in Yorkshire used to say of him that he ran his factories exclusively with his own children! True, Herr Sax contends that "illegitimate children are becoming more and more rare" in these flourishing colonies (page 118). Yes, illegitimate children *born out of wedlock*, for in the English industrial districts the pretty girls marry very young.

In England the establishment of workers' dwellings close to each big rural factory and simultaneously *with* the factory has been the rule for sixty years and more. As already mentioned, many of these factory villages have become the nucleus around which later on a whole factory town has grown up with all the evils which a factory town brings with it. These colonies have therefore not

^a See present edition, Vol. 4, p. 477.—*Ed.*

^b Engels changed this sentence in the 1887 edition; earlier it read as follows: "And to give us old A. as an example—I do not wish to name him since he is long dead and buried."—*Ed.*

solved the housing question; on the contrary, they *first really created* it in their localities.

On the other hand, in countries which in the sphere of large-scale industry have only limped along behind England, and which really got to know what large-scale industry is only after 1848, in France and particularly^a in Germany, the situation is quite different. Here it was only colossal foundries and factories which decided after much hesitation to build a certain number of workers' dwellings—for instance, the Schneider works in Creusot and the Krupp works in Essen. The great majority of the rural industrialists let their workers trudge miles through the heat, snow and rain every morning to the factories, and back again every evening to their homes. This is particularly the case in mountainous districts, in the French and Alsatian Vosges districts, in the valleys of the Wupper, Sieg, Agger, Lenne and other Rhineland-Westphalian rivers. In the Erzgebirge the situation is probably no better. The same petty niggardliness occurs among both Germans and French.

Herr Sax knows very well that the very promising beginning as well as the flourishing colonies mean less than nothing. Therefore, he tries now to prove to the capitalists that they can obtain magnificent rents by building workers' dwellings. In other words, he seeks to show them a new way of cheating the workers.

First of all, he holds up to them the example of a number of London building societies, partly philanthropic and partly speculative, which have shown a net profit of from four to six per cent and more. It is not at all necessary for Herr Sax to prove to us that capital invested in workers' houses yields a good profit. The reason why the capitalists do not invest still more than they do in workers' dwellings is that more expensive dwellings bring in still greater profits for their owners. Herr Sax's exhortation to the capitalists, therefore, amounts once again to nothing but a moral sermon.

Now, as far as these London building societies are concerned, whose brilliant successes Herr Sax so loudly trumpets forth, they have, according to his own figures—and every sort of building speculation is included here—provided housing for a total of 2,132 families and 706 single men, that is, for less than 15,000 persons! And is it presumed seriously to present in Germany this sort of childishness as a great success, although in the East End of London alone a million workers live under the

^a The word was added by Engels in the 1887 edition.—*Ed.*

most miserable housing conditions? The whole of these philanthropic efforts are in fact so miserably futile that the English parliamentary reports dealing with the condition of the workers never even mention them.

We will not speak here of the ludicrous ignorance of London displayed throughout this whole section. Just one point, however. Herr Sax is of the opinion that the Lodging House for Single Men in Soho went out of business because there "was no hope of obtaining a large clientele" in this neighbourhood. Herr Sax imagines that the whole of the West End of London is one big luxury town, and does not know that right behind the most elegant streets the dirtiest workers' quarters are to be found, of which, for example, Soho is one. The model lodging house in Soho, which he mentions and which I already knew twenty-three years ago, was much frequented in the beginning, but closed down because no one could stand it there, and yet it was one of the best.

But the workers' town of Mulhouse in Alsace—that is surely a success, is it not?

The Workers' City in Mulhouse is the great show-piece of the continental bourgeois, just as the one-time flourishing colonies of Ashton, Ashworth, Greg and Co. are of the English bourgeois. Unfortunately, the Mulhouse example is not a product of "latent" association but of the open association between the Second French Empire and the capitalists of Alsace. It was one of Louis Bonaparte's socialist experiments, for which the state advanced one-third of the capital. In fourteen years (up to 1867) it built 800 small houses according to a defective system, an impossible one in England where they understand these things better, and these houses are handed over to the workers to become their own property after thirteen to fifteen years of monthly payments of an increased rental. It was not necessary for the Bonapartists of Alsace to invent this mode of acquiring property; as we shall see, it had been introduced by the English co-operative building societies long before. Compared with that in England, the extra rent paid for the purchase of these houses is rather high. For instance, after having paid 4,500 francs in instalments during fifteen years, the worker receives a house which was worth 3,300 francs fifteen years before. If the worker wants to go away or if he is in arrears with only a single monthly instalment (in which case he can be evicted), six and two-thirds per cent of the original value of the house is charged as the annual rent (for instance, 17 francs a month for a house worth 3,000 francs) and the rest is paid out to him, but *without a penny of*

interest. It is quite clear that under such circumstances the society is able to grow fat, quite apart from "state assistance". It is just as clear that the houses provided under these circumstances are better than the old tenement houses in the town itself, if only because they are built outside the town in a semi-rural neighbourhood.

We need not say a word about the few miserable experiments which have been made in Germany; even Herr Sax, on page 157, admits their woefulness.

What, then, exactly do all these examples prove? Simply that the building of workers' dwellings is profitable from the capitalist point of view, even when not all the laws of hygiene are trodden underfoot. But that has never been denied; we all knew that long ago. Any investment of capital which satisfies an existing need is profitable if conducted rationally. The question, however, is precisely, why the housing shortage continues to exist *all the same*, why the capitalists all the same do not provide sufficient healthy dwellings for the workers. And here Herr Sax has again nothing but exhortations to make to capital and fails to provide us with an answer. The real answer to this question we have already given above.

Capital does not *want* to abolish the housing shortage even if it could; this has now been finally established. There remain, therefore, only two other expedients: self-help on the part of the workers, and state assistance.

Herr Sax, an enthusiastic worshipper of self-help, is able to report miraculous things about it also in regard to the housing question. Unfortunately he is compelled to admit right at the beginning that self-help can only effect anything where the COTTAGE SYSTEM either already exists or where it is feasible, that is, once again only in the rural areas. In the big cities, even in England, it can be effective only in a very limited measure. Herr Sax then sighs:

"Reform in this way" (by self-help) "can be effected only in a *roundabout way* and therefore *always* only imperfectly, namely, only in so far as the principle of private ownership is so strengthened as to react on the quality of the dwelling." [Page 170.]

This too could be doubted; in any case, "the principle of private ownership" has not exercised any reforming influence on the "quality" of the author's style. Despite all this, self-help in England has achieved such wonders

"that thereby everything done there along other lines to solve the housing problem has been *far exceeded*".

Herr Sax is referring to the English BUILDING SOCIETIES and he deals with them at great length particularly because

"very inadequate or erroneous ideas are current about their character and activities in general. The English BUILDING SOCIETIES are by no means ... associations for building houses or building co-operatives; they can be described ... in German rather as something like '*Hauserwerbvvereine*' [associations for the acquisition of houses]. They are associations whose object it is to accumulate funds from the periodical contributions of their members in order then, out of these funds and according to their size, to grant loans to their members for the purchase of a house.... The BUILDING SOCIETY is thus a savings bank for one section of its members, and a loan bank for the other section. The BUILDING SOCIETIES are, therefore, mortgage credit institutions designed to meet the requirements of the workers which, in the main ... use the savings of the workers ... to assist persons of the same social standing as the depositors to purchase or build a house. As may be supposed, such loans are granted by mortgaging the real estate in question, and on condition that they must be paid back at short intervals in instalments which combine both interest and amortisation.... The interest is not paid out to the depositors but always *placed to their credit and compounded*.... The members can demand the return of the sums they have paid in, plus interest ... at any time by giving a month's notice." (Pages 170 to 172.) "There are over 2,000 such societies in England; ... the total capital they have accumulated amounts to about £15,000,000. In this way about 100,000 *working-class* families have already obtained possession of their own hearth and home—a social achievement which it would certainly be difficult to parallel." (Page 174.)

Unfortunately here too the "but" comes limping along immediately after:

"But a perfect solution of the problem has *by no means been achieved* in this way, for the reason, if for no other, that the acquisition of a house is something only the *better situated* workers ... can afford.... In particular, sanitary conditions are often not sufficiently taken into consideration." (Page 176.)

On the Continent "such associations ... find only little scope for development". They presuppose the existence of the COTTAGE SYSTEM, which here exists only in the countryside; and in the countryside the workers are not yet sufficiently developed for self-help. On the other hand, in the towns where real building co-operatives could be formed they are faced with "very considerable and serious difficulties of all sorts". (Page 179.) They could build only COTTAGES and that will not do in the big cities. In short, "this form of co-operative self-help" cannot "in the present circumstances—and hardly in the near future either—play the chief role in the solution of the problem before us". These building societies, you see, are still "in their initial, undeveloped stage". "This is true even of England." (Page 181.)

Hence, the capitalists *will* not and the workers *cannot*. And with this we could close this section if it were not absolutely necessary

to provide a little information about the English BUILDING SOCIETIES, which the bourgeois of the Schulze-Delitzsch type always hold up to our workers as models.²⁴⁹

These BUILDING SOCIETIES are not workers' societies, nor is it their main aim to provide workers with their own houses. On the contrary, we shall see that this happens only very exceptionally. The BUILDING SOCIETIES are essentially of a speculative nature, the small ones, which were the original societies, not less so than their big imitators. In a public house, usually at the instigation of the proprietor, on whose premises the weekly meetings then take place, a number of regular customers and their friends, shopkeepers, office clerks, commercial travellers, master artisans and other petty bourgeois—with here and there perhaps a mechanic or some other worker belonging to the aristocracy of his class—get together and found a building co-operative. The immediate occasion is usually that the proprietor has discovered a comparatively cheap plot of land in the neighbourhood or somewhere else. Most of the members are not bound by their occupations to any particular locality. Even many of the shopkeepers and craftsmen have only business premises in the town but no living quarters. Everyone in a position to do so prefers to live in the suburbs rather than in the centre of the smoky town. The building plot is purchased and as many COTTAGES as possible erected on it. The credit of the more substantial members makes the purchase possible, and the weekly contributions together with a few small loans cover the weekly costs of building. Those members who aim at getting a house of their own receive COTTAGES by lot as they are completed, and the appropriate extra rent serves for the amortisation of the purchase price. The remaining COTTAGES are then either let or sold. The building society, however, if it does good business, accumulates a more or less considerable sum. This remains the property of the members, provided they keep up their contributions, and is distributed among them from time to time, or when the society is dissolved. Such is the life history of nine out of ten of the English building societies. The others are bigger associations, sometimes formed under political or philanthropic pretexts, but in the end their chief aim is always to provide a more profitable mortgage investment for the savings of the *petty bourgeoisie*, at a good rate of interest and the prospect of dividends from speculation in real estate.

The sort of clients these societies speculate on can be seen from the prospectus of one of the largest, if not the largest, of them. The BIRKBECK BUILDING SOCIETY, 29 AND 30, SOUTHAMPTON BUILDINGS,

CHANCERY LANE, LONDON, whose gross receipts since its foundation total over £10,500,000 (70,000,000 thalers), which has over £416,000 in the bank or invested in government securities, and which at present has 21,441 members and depositors, introduces itself to the public in the following fashion:

"Most people are acquainted with the so-called three-year system of the piano manufacturers, under which anyone renting a piano for three years becomes the owner of the piano after the expiration of that period. Prior to the introduction of this system it was almost as difficult for people of limited income to acquire a good piano as it was for them to acquire their own house. Year after year such people had paid the rent for the piano and spent two or three times the money the piano was worth. What applies to a piano applies also to a house... However, as a house costs more than a piano, ... it takes longer to pay off the purchase price in rent. In consequence the directors have entered into an arrangement with house-owners in various parts of London and its suburbs which enables them to offer the members of the BIRKBECK BUILDING SOCIETY and others a great selection of houses in the most diverse parts of the town. The system which the Board of Directors intends to put into operation is as follows: it will let these houses for twelve and a half years and at the end of this period, providing that the rent has been paid regularly, the tenant will become the absolute owner of the house without any further payment of any kind... The tenant can also contract for a shorter space of time with a higher rental, or for a longer space of time with a lower rental... *People of limited income, clerks, shop assistants*, and others can make themselves independent of landlords immediately by becoming members of the BIRKBECK BUILDING SOCIETY."

That is clear enough. There is no mention of workers, but there is of people of limited income, clerks and shop assistants, etc., and in addition it is assumed that, as a rule, the applicants *already possess a piano*. In fact we do not have to do here with workers at all but with petty bourgeois and those who would like *and are able* to become such; people whose incomes gradually rise as a rule, even if within certain limits, such as clerks and similar employees. The income of the worker, on the contrary, at best remains the same in amount, and in reality falls in proportion to the increase of his family and its growing needs. In fact only a few workers can, by way of exception, belong to such societies. On the one hand their income is too low, and on the other hand it is of too uncertain a character for them to be able to undertake responsibilities for twelve and a half years in advance. The few exceptions where this is not valid are either the best-paid workers or foremen.*

* We add here a little contribution on the way in which these building associations, and in particular the London building associations, are managed. As is known, almost the whole of the land on which London is built belongs to about a dozen aristocrats, including the most eminent, the Duke of Westminster, the Duke of Bedford, the Duke of Portland, etc. They originally leased out the separate building sites for a period of ninety-nine years, and at the end of that period took

For the rest, it is clear to everyone that the Bonapartists of the workers' town of Mulhouse are nothing more than miserable apers of these petty-bourgeois English building societies. The sole difference is that the former, in spite of the state assistance granted to them, swindle their clients far more than the building societies do. On the whole their terms are less liberal than the average existing in England, and while in England interest and compound interest are calculated on each deposit and can be withdrawn at a month's notice, the factory owners of Mulhouse put both interest and compound interest into their own pockets and repay no more than the amount paid in by the workers in hard five-franc pieces. And no one will be more astonished at this difference than Herr Sax who has it all in his book without knowing it.

Thus, workers' self-help is also no good. There remains state assistance. What can Herr Sax offer us in this regard? Three things:

"First of all, the state must take care that in its legislation and administration all those things which in any way result in accentuating the housing shortage among the working classes are abolished or appropriately remedied." (Page 187.)

Consequently, revision of building legislation and freedom for the building trades in order that building shall be cheaper. But in England building legislation is reduced to a minimum, the building trades are as free as the birds in the air; nevertheless, the housing shortage exists. In addition building is now done so cheaply in England that the houses shake when a cart goes by and every day some of them collapse. Only yesterday (October 25, 1872) six of them collapsed simultaneously in Manchester and

possession of the land with everything on it. They then let the houses on shorter leases, thirty-nine years for example, on a so-called REPAIRING LEASE, according to which the leaseholder must put the house in good repair and maintain it in such condition. As soon as the contract has progressed thus far, the landlord sends his architect and the district SURVEYOR to inspect the house and determine the repairs necessary. These repairs are often very considerable and may include the renewal of the whole frontage, or of the roof, etc. The leaseholder now deposits his lease as security with a building association and receives from this society a loan of the necessary money—up to £1,000 and more in the case of an annual rental of from £130 to £150—for the building repairs to be made at *his* expense. These building associations have thus become an important intermediate link in a system which aims at securing the continual renewal and maintenance in habitable condition of London's houses belonging to the landed aristocracy without any trouble to the latter and at the cost of the public. And this is supposed to be a solution of the housing question for the workers! [*Note by Engels to the 1887 edition.*]

seriously injured six workers.^a Therefore, that is also no remedy.

"Secondly, the state power must prevent individuals in their narrow-minded individualism from spreading the evil or calling it forth anew." [Page 187.]

Consequently, sanitary and building-police inspection of workers' dwellings; transference to the authorities of power to forbid the occupancy of dilapidated and unhygienic houses, as has been the case in England since 1857. But how did it come about there? The first law, that of 1855 (the *NUISANCES REMOVAL ACT*), was "a dead letter", as Herr Sax admits himself, as was the second, the law of 1858 (the *LOCAL GOVERNMENT ACT*) (page 197). On the other hand Herr Sax believes that the third law, the *ARTISANS' DWELLINGS ACT*, which applies only to towns with a population of over 10,000, "certainly offers favourable testimony of the great understanding of the British Parliament in social matters" (page 199). But as a matter of fact this assertion does no more than "offer favourable testimony" of the utter ignorance of Herr Sax in English "matters". That England in general is far in advance of the Continent "in social matters" is a matter of course. England is the motherland of modern large-scale industry; the capitalist mode of production has developed there most freely and extensively of all, its consequences show themselves there most glaringly of all and therefore it is likewise there that they first produced a reaction in the sphere of legislation. The best proof of this is factory legislation. If however Herr Sax thinks that an Act of Parliament only requires to become legally effective in order to be carried immediately into practice as well, he is grievously mistaken. And this is true of the *LOCAL GOVERNMENT ACT* more than of any other act (with the exception, of course, of the *WORKSHOPS ACT*). The administration of this law was entrusted to the urban authorities, which almost everywhere in England are recognised centres of corruption of every kind, of nepotism and *JOBBERY*.^{*} The agents of

^{*} *JOBBERY* is the use of a public office to the private advantage of the official or his family. If, for instance, the director of the state telegraph of a country becomes a silent partner in a paper factory, provides this factory with timber from his forests and then gives the factory orders for supplying paper for the telegraph offices, that is, true, a fairly small but still quite a pretty "JOB", inasmuch as it demonstrates a complete understanding of the principles of *JOBBERY*^b; such as, by the way, in the days of Bismarck was a matter of course and to be expected.

^a "Fall of Six Houses in Manchester", *The Daily News*, No. 8268, October 26, 1872.—*Ed.*

^b The rest of the sentence was added by Engels in the 1887 edition.—*Ed.*

these urban authorities, who owe their positions to all sorts of family considerations, are either incapable of carrying into effect such social laws or disinclined to do so. On the other hand it is precisely in England that the state officials entrusted with the preparation and execution of social legislation are usually distinguished by a strict sense of duty—although in a lesser degree today than twenty or thirty years ago. In the town councils the owners of unsound and dilapidated dwellings are almost everywhere strongly represented either directly or indirectly. The system of electing these town councils by small wards makes the elected members dependent on the pettiest local interests and influences; no town councillor who desires to be re-elected dare vote for the application of this law in his constituency. It is comprehensible, therefore, with what aversion this law was received almost everywhere by the local authorities, and that up to the present it has been applied only in the most scandalous cases—and even then, as a general rule, only as the result of the outbreak of some epidemic, such as in the case of the small-pox epidemic last year in Manchester and Salford. Appeals to the Home Secretary have up to the present been effective only in such cases, for it is the principle of every *Liberal* government in England to propose social reform laws only when compelled to do so and, if at all possible, to avoid carrying into effect those already existing. The law in question, like many others in England, is of importance only because in the hands of a government dominated by or under the pressure of the workers, a government which would at last really administer it, it will be a powerful weapon for making a breach in the existing social state of things.

“Thirdly,” the state power ought, according to Herr Sax, “to make the most extensive use possible of all the positive means at its disposal to allay the existing housing shortage.” [Page 187.]

That is to say, it should build barracks, “truly model buildings”, for its “subordinate officials and servants” (but then these are not workers!), and “grant loans ... to municipalities, societies and also to private persons for the purpose of improving the housing conditions of the working classes” (page 203), as is done in England under the PUBLIC WORKS LOAN ACT, and as Louis Bonaparte has done in Paris and Mulhouse. But the PUBLIC WORKS LOAN ACT also exists only on paper. The government places at the disposal of the commissioners a maximum sum of £50,000, that is, sufficient to build at the utmost 400 COTTAGES, or in forty years a total of 16,000 COTTAGES or dwellings for at the most 80,000

persons—a drop in the bucket! Even if we assume that after twenty years the funds at the disposal of the commission were to double as a result of repayments, that therefore during the past twenty years dwellings for a further 40,000 persons have been built, it still is only a drop in the bucket. And as the *COTTAGES* last on the average only forty years, after forty years the liquid assets of £50,000 or £100,000 must be used every year to replace the most dilapidated, the oldest of the *COTTAGES*. This, Herr Sax declares on page 203, is carrying the principle into practice correctly “and to an unlimited extent”! And with this confession that even in England the state, “to an unlimited extent”, has achieved next to nothing, Herr Sax concludes his book, but not without having first delivered another homily to all concerned.*

It is perfectly clear that the state as it exists today is neither able nor willing to do anything to remedy the housing calamity. The state is nothing but the organised collective power of the possessing classes, the landowners and the capitalists, as against the exploited classes, the peasants and the workers. What the individual capitalists (and it is here only a question of these because in this matter the landowner, who is concerned, also acts primarily in his capacity as a capitalist) do not want, their state also does not want. If therefore the *individual* capitalists deplore the housing shortage, but can hardly be moved to palliate even superficially its most terrifying consequences, the *collective* capitalist, the state, will not do much more. At most it will see to it that that measure of superficial palliation which has become customary is carried into execution everywhere uniformly. And we have seen that this is the case.

But, one might object, in Germany the bourgeois do not rule as yet; in Germany the state is still to a certain extent a power hovering independently over society, which for that very reason

* In recent English Acts of Parliament giving the London building authorities the right of expropriation for the purpose of new street construction, a certain amount of consideration is given to the workers thus turned out of their homes. A provision has been inserted that the new buildings to be erected must be suitable for housing those classes of the population previously living there. Big five or six storey tenement houses are therefore erected for the workers on the least valuable sites and in this way the letter of the law is complied with. It remains to be seen how this arrangement will work, for the workers are quite unaccustomed to it and in the midst of the old conditions in London these buildings represent a completely foreign development. At best, however, they will provide new dwellings for hardly a quarter of the workers actually evicted by the building operations. [*Note by Engels to the 1887 edition.*]

represents the collective interests of society and not those of a single class. *Such* a state can certainly do much that a bourgeois state cannot do, and one ought to expect from it something quite different in the social field also.

That is the language of reactionaries. In reality however the state as it exists in Germany is likewise the necessary product of the social basis out of which it has developed. In Prussia—and Prussia is now decisive—there exists side by side with a landowning aristocracy, which is still powerful, a comparatively young and extremely cowardly bourgeoisie, which up to the present has not won either direct political domination, as in France, or more or less indirect domination as in England. Side by side with these two classes, however, there exists a rapidly increasing proletariat which is intellectually highly developed and which is becoming more and more organised every day. We therefore find here, alongside of the basic condition of the old absolute monarchy—an equilibrium between the landed aristocracy and the bourgeoisie—the basic condition of modern Bonapartism—an equilibrium between the bourgeoisie and the proletariat. But both in the old absolute monarchy and in the modern Bonapartist monarchy the real governmental authority lies in the hands of a special caste of army officers and state officials. In Prussia this caste is replenished partly from its own ranks, partly from the lesser primogenitary aristocracy, more rarely from the higher aristocracy, and least of all from the bourgeoisie. The independence of this caste, which appears to occupy a position outside and, so to speak, above society, gives the state the semblance of independence in relation to society.

The form of state which has developed with the necessary consistency in Prussia (and, following the Prussian example, in the new Imperial constitution of Germany) out of these contradictory social conditions is pseudo-constitutionalism, a form which is at once both the present-day form of the dissolution of the old absolute monarchy and the form of existence of the Bonapartist monarchy. In Prussia pseudo-constitutionalism from 1848 to 1866 only concealed and facilitated the slow decay of the absolute monarchy. However, since 1866, and still more since 1870, the upheaval in social conditions, and with it the dissolution of the old state, has proceeded in the sight of all and on a tremendously increasing scale. The rapid development of industry, and in particular of stock-exchange swindling, has dragged all the ruling classes into the whirlpool of speculation. The wholesale corruption imported from France in 1870 is developing at an unprece-

dented rate. Strousberg and Péreire take off their hats to each other. Ministers, generals, princes and counts gamble in stocks in competition with the most cunning stock-exchange wolves, and the state recognises their equality by conferring baronetcies wholesale on these stock-exchange wolves. The rural nobility, who have been industrialists for a long time as manufacturers of beet sugar and distillers of brandy, have long left the old respectable days behind and their names now swell the lists of directors of all sorts of sound and unsound joint-stock companies. The bureaucracy is beginning more and more to despise embezzlement as the sole means of improving its income; it is turning its back on the state and beginning to hunt after the far more lucrative posts on the administration of industrial enterprises. Those who still remain in office follow the example of their superiors and speculate in stocks, or "acquire interests" in railways, etc. One is even justified in assuming that the lieutenants also have their hands in certain speculations. In short, the decomposition of all the elements of the old state and the transition from the absolute monarchy to the Bonapartist monarchy is in full swing. With the next big business and industrial crisis not only will the present swindle collapse, but the old Prussian state as well.*

And this state, in which the non-bourgeois elements are becoming more bourgeois every day, is it to solve "the social question", or even only the housing question? On the contrary. In all economic questions the Prussian state increasingly comes under the control of the bourgeoisie. And if legislation in the economic field since 1866 has not been adapted even more to the interests of the bourgeoisie than has actually been the case, whose fault is that? The bourgeoisie itself is chiefly responsible, first because it is too cowardly to press its own demands energetically, and secondly because it resists every concession if the latter simultaneously provides the menacing proletariat with new weapons. And if the political power, that is, Bismarck, is attempting to organise the proletariat for its own needs to keep the political activity of the bourgeoisie in check, what else is that if not a necessary and quite familiar Bonapartist recipe which pledges the state to nothing more, as far as the workers are concerned, than a few benevolent phrases and at the utmost to a minimum of state assistance for building societies *à la* Louis Bonaparte?

* Even today, in 1886, the only thing that holds together the old Prussian state and its basis, the alliance of big landownership and industrial capital sealed by the protective tariffs, is fear of the proletariat, which has grown tremendously in numbers and class-consciousness since 1872. [Note by Engels to the 1887 edition.]

The best proof of what the workers have to expect from the Prussian state lies in the utilisation of the French milliards²⁵⁰ which have given a new, short reprieve to the independence of the Prussian state machine in regard to society. Has even a single thaler of all these milliards been used to provide shelter for those Berlin working-class families which have been thrown on to the streets? On the contrary. As autumn approached, the state caused to be pulled down even those few miserable hovels which had given them a temporary roof over their heads during the summer. The five milliards are going rapidly enough the way of all flesh: for fortresses, cannon and soldiers; and despite Wagner's asinities, and despite Stieber's conferences with Austria,²⁵¹ less will be allotted to the German workers out of those milliards than was allotted to the French workers out of the millions which Louis Bonaparte stole from France.

III

In reality the bourgeoisie has only one method of settling the housing question after *its* fashion—that is to say, of settling it in such a way that the solution continually poses the question anew. This method is called "*Hausmann*".

By the term "*Hausmann*" I do not mean merely the specifically Bonapartist manner of the Parisian Hausmann—breaking long, straight and broad streets right through the closely-built workers' quarters and lining them on both sides with big luxurious buildings, the intention having been, apart from the strategic aim of making barricade fighting more difficult, to develop a specifically Bonapartist building trades' proletariat dependent on the government and to turn the city into a luxury city pure and simple. By "*Hausmann*" I mean the practice, which has now become general, of making breaches in the working-class quarters of our big cities, particularly in those which are centrally situated, irrespective of whether this practice is occasioned by considerations of public health and beautification or by the demand for big centrally located business premises or by traffic requirements, such as the laying down of railways, streets, etc. No matter how different the reasons may be, the result is everywhere the same: the most scandalous alleys and lanes disappear to the accompaniment of lavish self-glorification by the bourgeoisie on account of this tremendous success, but—they appear again at once somewhere else, and often in the immediate neighbourhood.

In *The Condition of the Working-Class in England* I gave a picture of Manchester as it looked in 1843 and 1844.^a Since then the construction of railways through the centre of the city, the laying out of new streets and the erection of great public and private buildings have broken through, laid bare and improved some of the worst districts described there, others have been abolished altogether; although, apart from the fact that sanitary-police inspection has since become stricter, many of them are still in the same state or in an even worse state of dilapidation than they were then. On the other hand, thanks to the enormous extension of the town, whose population has since increased by more than a half, districts which were at that time still airy and clean are now just as overbuilt, just as dirty and congested as the most ill-famed parts of the town formerly were. Here is but one example: On page 80 et seq. of my book I described a group of houses situated in the valley bottom of the Medlock River, which under the name of LITTLE IRELAND was for years the disgrace of Manchester.^b Little Ireland has long ago disappeared and on its site there now stands a railway station built on a high foundation. The bourgeoisie pointed with pride to the happy and final abolition of Little Ireland as to a great triumph. Now last summer a great inundation took place, as in general the rivers embanked in our big cities cause more and more extensive floods year after year for reasons that can be easily explained. And it was then revealed that Little Ireland had not been abolished at all, but had simply been shifted from the south side of Oxford Road to the north side, and that it still continues to flourish. Let us hear what *The Manchester Weekly Times*, the organ of the radical bourgeoisie of Manchester, has to say in its issue of July 20, 1872:^c

"The *one* good result which we may hope to obtain from the calamity which befell the inhabitants of the property built on the low lying ground near the banks of the Medlock on Saturday last, is that public attention will be concentrated on the palpable violation of sanitary laws which has been permitted so long to exist under the noses of the Corporation officers and the sanitary committee of the City Council. A correspondent in yesterday's paper, in a pithy letter, indicated only too feebly the shameful condition of some of the cellar dwelling houses in the neighbourhood of Charles-street and Brook-street, which were inundated by the flood. A minute investigation of one of the courts named in our correspondent's letter, which was made yesterday by our reporter, enables us fully to confirm all his statements, and to endorse his opinion that the cellar dwellings contained in it ought to have been closed long ago, or rather that their habitation ought never to

^a See present edition, Vol. 4, p. 347 et seq.—*Ed.*

^b *Ibid.*, p. 361.—*Ed.*

^c "The Floods in the Medlock. Charles-Street Pit", *The Manchester Weekly Times*, No. 763, July 20, 1872.—*Ed.*

have been allowed. Squire's Court consists of a group of seven or eight dwelling houses at the junction of Charles-street and Brook-street, over which the passenger, who reached the lowest step in the dip of Brook-street under the railway arches, may pass daily, unconscious of the knowledge that human beings burrow in the depths beneath him. It is hidden from public view, and is only accessible to those whom misery compels to seek a shelter in its grave-like seclusion. Even when the ordinary sluggish weir-pent waters of the Medlock are at their ordinary height, the floors of these dwellings can only be a few inches above their level, and are liable after any heavy shower to have their 'soughs' or drainpipes surcharged with filthy water and their dwellings poisoned by the pestiferous vapours which flood water invariably leaves as its souvenir... Squire's Court lies at even a lower level than these cellars ... 20 feet below the level of the street, and the foul water forced up the 'soughs' by the rising flood in the river on Saturday reached to the roofs. Knowing so much as this, we had expected on our visit yesterday to find the court deserted, or occupied only by the officers of the health committee, engaged in flushing the foetid walls and distributing disinfectants. The only thing we did observe, ... was a labouring man engaged, under the superintendence of a tenant (who had been so far fortunate that he possessed an upper storey to his cellar dwelling, in which he officiates as a barber, and carries on a miscellaneous business), in digging into a heap of mud and putrid matter collected in a corner, from which he was filling a wheelbarrow... The barber's cellar had been pretty well set to rights, but he directed us to a lower depth, where were a series of dwellings, regarding which he said if he were a scholar he should write to the newspapers, insisting that they should be shut up. Guided at last to Squire's Court proper, we found a buxom and healthy-looking Irishwoman busily engaged in her washtub. With her husband, a night watchman, she had lived in the court for six years, and had brought up a large family... Inside the house the water-mark had risen to within a few inches of the roof, the windows had been broken in, the furniture remaining in the house was a confused heap of broken and sodden timber... The tenant said that he had kept the place sweet by whitewashing its damp walls once in two months... This discovery made, our reporter on entering found three houses standing back to back, with those in the outer square. Two of these were occupied. The smell arising from them was so sickening that a few minutes' stay within their foetid portals was sufficient to upset the stomach of a healthy man ... this dismal dwelling place was occupied by a family of seven in all, everyone of whom had slept in the house on Thursday night" (the day of the beginning of the flood). "The woman who gave our reporter this information instantly corrected herself. Neither she nor her husband had slept at all. They had lain on the bare boards, but the smell of the place was so offensive that they had been vomiting during a great part of the night... On Saturday she ... had been obliged to wade breast-high through the flood, bearing two children in her arms... She agreed that the place was not fit for a pig to live in, but had been induced against her will to accept it, because of the cheapness of the rent (only 1s. 6d." (15 groschen) "a week), and because her husband, a labourer, had of late been much out of work through illness. The reflections raised in one's mind by the contemplation of this wretched court, and the poor creatures whom poverty has forced into it as into a premature grave, is one of almost utter hopelessness... In the public interest, however, we are forced to say a word. Observation during the past few days assures us that Squire's Court is a type, though perhaps an extreme one, of many other places in the neighbourhood which it is a reflection upon the health committee to have permitted so long to exist; if their further occupation under existing circumstances be allowed, the committee will incur a responsibility

and the neighbourhood a danger of infectious visitation the seriousness of which we have no desire to prognosticate.”

This is a striking example of how the bourgeoisie settles the housing question in practice. The breeding places of disease, the infamous holes and cellars in which the capitalist mode of production confines our workers night after night, are not abolished; they are merely *shifted elsewhere*! The same economic necessity which produced them in the first place produces them in the next place also. As long as the capitalist mode of production continues to exist it is folly to hope for an isolated settlement of the housing question or of any other social question affecting the lot of the workers. The solution lies in the abolition of the capitalist mode of production and the appropriation of all the means of subsistence and instruments of labour by the working class itself.

PART III

SUPPLEMENT ON PROUDHON AND THE HOUSING QUESTION

I

In No. 86 of the *Volksstaat*, A. Mülberger^a reveals himself as the author of the articles criticised by me in No. 51 and subsequent numbers of the paper.^b In his answer he overwhelms me with such a series of reproaches, and at the same time confuses all the issues to such an extent that willy-nilly I am compelled to reply to him. I shall attempt to give my reply, which to my regret must be made to a large extent in the field of personal polemics enjoined upon me by Mülberger himself, a general interest by presenting the chief points once again and if possible more clearly than before, even at the risk of being told once more by Mülberger that all this “contains nothing essentially new either for him or for the other readers of the *Volksstaat*”.

Mülberger complains of the form and content of my criticism. As far as the form is concerned it will be sufficient to reply that at the time I did not even know who had written the articles in question. There can, therefore, be no question of any personal “prejudice” against their author; against the solution of the

^a A. Mülberger, “Zur Wohnungsfrage”, *Der Volksstaat*, No. 86, October 26, 1872.—*Ed.*

^b See this volume, pp. 317-37.—*Ed.*

housing problem put forward in the articles I was of course in so far “prejudiced” as I was long ago acquainted with it from Proudhon and my opinion on it was firmly fixed.

I am not going to quarrel with friend Mülberger about the “tone” of my criticism. When one has been so long in the movement as I have, one develops a fairly thick skin against attacks, and therefore one easily presumes the existence of the same in others. In order to compensate Mülberger I shall endeavour this time to bring my “tone” into the right relation to the sensitiveness of his epidermis (outer layer of the skin).

Mülberger complains with particular bitterness that I said he was a Proudhonist, and he protests that he is not. Naturally I must believe him, but I shall adduce proof that the articles in question—and I had to do with them alone—contain nothing but undiluted Proudhonism.

But according to Mülberger I have also criticised Proudhon “frivolously” and have done him a serious injustice.

“The doctrine of the petty bourgeois Proudhon has become an accepted dogma in Germany, which is even proclaimed by many who have never read a line of him.”

When I express regret that for twenty years the workers speaking Romance languages have had no other mental pabulum than the works of Proudhon, Mülberger answers that as far as the Latin workers are concerned, “the principles formulated by Proudhon are almost everywhere the driving spirit of the movement”. This I must deny. First of all, the “driving spirit” of the working-class movement nowhere lies in “principles”, but everywhere in the development of large-scale industry and its effects, the accumulation and concentration of capital, on the one hand, and of the proletariat, on the other. Secondly, it is not correct to say that in the Latin countries Proudhon’s so-called “principles” play the decisive role ascribed to them by Mülberger; that “the principles of anarchism, of the *Organisation des forces économiques*, of the *liquidation sociale*, etc., have there ... become the true bearers of the revolutionary movement”. Not to speak of Spain and Italy, where the Proudhonist panacea has gained some influence only in the still more botched form presented by Bakunin, it is a notorious fact for anyone who knows the international working-class movement that in France the Proudhonists form a numerically rather insignificant sect, while the mass of the French workers refuses to have anything to do with the social reform plan drawn up by Proudhon under the

titles of *Liquidation sociale* and *Organisation des forces économiques*.^a This was shown, among other things, in the Commune. Although the Proudhonists were strongly represented in the Commune, not the slightest attempt was made to liquidate the old society or to organise the economic forces according to Proudhon's proposals. On the contrary, it does the Commune the greatest honour that in all its economic measures the "driving spirit" was not any set of "principles", but simple, practical needs. And therefore these measures—abolition of night work in the bakeries, prohibition of monetary fines in the factories, confiscation of shut-down factories and workshops and handing them over to workers' associations—were not at all in accordance with the spirit of Proudhonism, but certainly in accordance with the spirit of German scientific socialism. The only social measure which the Proudhonists put through was the decision *not* to confiscate the Bank of France, and this was partly responsible for the downfall of the Commune. In the same way, when the so-called Blanquists made an attempt to transform themselves from mere political revolutionists into a socialist workers' faction with a definite programme—as was done by the Blanquist fugitives in London in their manifesto, *Internationale et révolution*—they did not proclaim the "principles" of the Proudhonist plan for the salvation of society, but adopted, and almost literally at that, the views of German scientific socialism on the necessity of political action by the proletariat and of its dictatorship as the transition to the abolition of classes and, with them, of the state—views such as had already been expressed in the *Communist Manifesto*^b and since then on innumerable occasions. And if Mülberger even draws the conclusion from the Germans' disdain of Proudhon that there has been a lack of understanding of the movement in the Latin countries "down to the Paris Commune", let him as proof of this lack tell us what work from the Latin side has understood and described the Commune even approximately as correctly as has the *Address of the General Council of the International on the Civil War in France*, written by the German Marx.

The only country where the working-class movement is directly under the influence of Proudhonist "principles" is Belgium, and precisely as a result of this the Belgian movement comes, as Hegel would say, "from nothing through nothing to nothing".^c

^a P. J. Proudhon, *Idée générale de la révolution au XIXe siècle*, Paris, 1868.—Ed.

^b See present edition, Vol. 6, pp. 504-06.—Ed.

^c G. W. F. Hegel, *Wissenschaft der Logik, Werke*, Vol. 4, Berlin, 1834, Part 1, Section 2, pp. 15, 75, 145.—Ed.

When I consider it a misfortune that for twenty years the workers of the Latin countries fed intellectually, directly or indirectly, exclusively on Proudhon, I do not mean that thoroughly mythical dominance of Proudhon's reform recipe—termed by Mülberger the “principles”—but the fact that their economic criticism of existing society was contaminated with absolutely false Proudhonist phrases and that their political actions were bungled by Proudhonist influence. Whether thus the “Proudhonised workers of the Latin countries” “stand more in the revolution” than the German workers, who in any case understand the meaning of scientific German socialism infinitely better than the Latins understand their Proudhon, we shall be able to answer only after we have learnt what “to *stand* in the revolution” really means. We have heard talk of people who “stand in Christianity, in the true faith, in the grace of God”, etc. But “standing” in the revolution, in the most violent of all movements? Is, then, “the revolution” a dogmatic religion in which one must believe?

Mülberger further reproaches me with having asserted, in defiance of the express wording of his articles, that he had declared the housing question to be an exclusively working-class question.

This time Mülberger is really right. I overlooked the passage in question. It was irresponsible of me to overlook it, for it is one most characteristic of the whole tendency of his disquisition. Mülberger actually writes in plain words:

“As we have been so frequently and largely exposed to the *absurd* charge of pursuing a *class policy*, of striving for *class domination*, and such like, we wish to stress first of all and expressly that the housing question is by no means a question which affects the proletariat exclusively, but that, *on the contrary*, it interests *to a quite prominent extent the middle classes proper*, the small tradesmen, the petty bourgeoisie, the whole bureaucracy... The housing question is precisely that point of social reform which more than any other seems appropriate to reveal the *absolute inner identity of the interests of the proletariat*, on the one hand, and the interests of the *middle classes proper* of society, on the other. The middle classes suffer just as much as, and *perhaps even more* than, the proletariat under the oppressive fetters of the rented dwelling... Today the middle classes proper of society are faced with the question of whether they ... can summon sufficient strength ... to participate in the process of the transformation of society in alliance with the youthful, vigorous and energetic workers' party, a transformation *whose blessings will be enjoyed above all by them*.”^a

Friend Mülberger thus makes the following points here:

1. “We” do not pursue any “class policy” and do not strive for

^a A. Mülberger, *Die Wohnungsfrage. Eine sociale Skizze. Separat-Abdruck aus dem “Volksstaat”* (The Housing Question. A Social Study. Separate Reprint from the *Volksstaat*), Leipzig, 1872.—Ed.

"class domination". But the German Social-Democratic Workers' Party, just *because* it is a *workers' party*, necessarily pursues a "class policy", the policy of the working class. Since each political party sets out to establish its rule in the state, so the German Social-Democratic Workers' Party is necessarily striving to establish *its* rule, the rule of the working class, hence "class domination". Moreover, *every* real proletarian party, from the English Chartists onward, has put forward a class policy, the organisation of the proletariat as an independent political party, as the primary condition of its struggle, and the dictatorship of the proletariat as the immediate aim of the struggle. By declaring this to be "absurd", Mülberger puts himself outside the proletarian movement and inside the camp of petty-bourgeois socialism.

2. The housing question has the advantage that it is not an exclusively working-class question, but a question which "interests to a quite prominent extent" the petty bourgeoisie, in that "the middle classes proper" suffer from it "just as much as, and perhaps even more than", the proletariat. If anyone declares that the petty bourgeoisie suffers, even if in one respect only, "perhaps even more than the proletariat", he can hardly complain if one counts him among the petty-bourgeois socialists. Has Mülberger therefore any grounds for complaint when I say:

"It is largely with just such sufferings as these, which the working class endures in common with other classes, and particularly the petty bourgeoisie, that petty-bourgeois socialism, to which Proudhon belongs, prefers to occupy itself. And thus it is not at all accidental that our German Proudhonist seizes chiefly upon the housing question, which, as we have seen, is by no means exclusively a working-class question."^a

3. There is an "absolute inner identity" between the interests of the "middle classes proper of society" and the interests of the proletariat, and it is not the proletariat, but these middle classes proper which will "enjoy above all" the "blessings" of the coming process of transformation of society.

The workers, therefore, are going to make the coming social revolution "above all" in the interests of the petty bourgeoisie. And furthermore, there is an absolute inner identity of the interests of the petty bourgeoisie and those of the proletariat. If the interests of the petty bourgeoisie have an inner identity with those of the workers, then those of the workers have an inner identity with those of the petty bourgeoisie. The petty-bourgeois

^a See this volume, p. 319.—*Ed.*

standpoint has thus as much right to exist in the movement as the proletarian standpoint, and it is precisely the assertion of this equality of right that is called petty-bourgeois socialism.

It is therefore perfectly consistent when, on page 25 of the separate reprint, Mülberger extols "petty industry" as the "actual *buttrass* of society", "because in accordance with its very nature it combines within itself the three factors: labour—acquisition—possession, and because in the combination of these three factors it places no bounds to the capacity for development of the individual"; and when he reproaches modern industry in particular with destroying this nursery for the production of normal human beings and "making out of a virile *class* continually reproducing itself an unconscious *heap* of humans who do not know whither to direct their anxious gaze". The petty bourgeois is thus Mülberger's model human being and petty industry is Mülberger's model mode of production. Did I defame him, therefore, when I classed him among the petty-bourgeois socialists?

As Mülberger rejects all responsibility for Proudhon, it would be superfluous to discuss here any further how Proudhon's reform plans aim at transforming all members of society into petty bourgeois and small peasants. It will be just as unnecessary to deal with the alleged identity of interests of the petty bourgeoisie and the workers. What is necessary is to be found already in the *Communist Manifesto*. (Leipzig edition, 1872, pp. 12 and 21.^a)

The result of our examination is, therefore, that side by side with the "myth of the petty bourgeois Proudhon" appears the reality of the petty bourgeois Mülberger.

II

We now come to one of the main points. I accused Mülberger's articles of falsifying economic relationships after the manner of Proudhon by translating them into legal terminology. As an example of this, I picked the following statement by Mülberger:

"The house, once it has been built, serves as a *perpetual legal title* to a definite fraction of social labour although the real value of the house has been paid to the owner long ago more than adequately in the form of rent. *Thus it comes about* that a house which, for instance, was built fifty years ago, during this period covers the original cost price two, three, five, ten and more times over in its rent yield."^b

^a See present edition, Vol. 6, pp. 494 and 509-10.—*Ed.*

^b See this volume, pp. 320-21.—*Ed.*

Mülberger now complains as follows:

"This *simple, sober statement of fact* causes Engels to enlighten me to the effect that I should have explained *how* the house became a 'legal title'—something which was quite beyond the scope of my task.... A *description* is one thing, an *explanation* another. When I say with Proudhon that the economic life of society should be pervaded by a *conception of right*, I am *describing* present-day society as one in which, true, not every conception of right is absent, but in which the *conception of right of the revolution* is absent, a fact which Engels himself will admit."^a

Let us keep for the moment to the house which has been built. The house, once it has been let, yields its builder ground rent, repairing costs, and interest on the building capital invested, including as well the profit made thereon in the form of rent^b; and, according to the circumstances, the rent, paid gradually, can amount to twice, thrice, five times or ten times as much as the original cost price. This, friend Mülberger, is the "simple, sober statement" of "fact", an *economic* fact; and if we want to know "how it comes" that it exists, we must conduct our examination in the economic field. Let us therefore look a little closer at this fact so that not even a child may misunderstand it any longer. As is known, the sale of a commodity consists in the fact that its owner relinquishes its use-value and pockets its exchange-value. The use-values of commodities differ from one another among other things in the different periods of time required for their consumption. A loaf of bread is consumed in a day, a pair of trousers will be worn out in a year, and a house, if you like, in a hundred years. Hence, in the case of durable commodities, the possibility arises of selling their use-value piecemeal and each time for a definite period, that is to say, to *let* it. The piecemeal sale therefore realises the exchange-value only gradually. As a compensation for his renouncing the immediate repayment of the capital advanced and the profit accrued on it, the seller receives an increased price, interest, whose rate is determined by the laws of political economy and not by any means in an arbitrary fashion. At the end of the hundred years the house is used up, worn out and no longer habitable. If we then deduct from the total rent paid for the house the following: 1) the ground rent together with any increase it may have experienced during the period in question, and 2) the sums expended for current repairs, we shall find that the

^a A. Mülberger, "Zur Wohnungsfrage", *Der Volksstaat*, No. 86, October 26, 1872.—*Ed.*

^b In *Der Volksstaat* this part of the sentence reads as follows: "The house, once it has been let, yields its builder ground rent, repairing costs, and profit on the building capital invested in the form of rent".—*Ed.*

remainder is composed on an average as follows: 1) the building capital originally invested in the house, 2) the profit on this, and 3) the interest on the gradually maturing capital and profit.^a Now it is true that at the end of this period the tenant has no house, but neither has the house-owner. The latter has only the lot (provided that it belongs to him) and the building material on it, which, however, is no longer a house. And although in the meantime the house may have brought in a sum "which covers the original cost price five or ten times over", we shall see that this is solely due to an increase of the ground rent. This is no secret to anyone in such cities as London where the landowner and the house-owner are in most cases two different persons. Such tremendous rent increases occur in rapidly growing towns,^b but not in a farming village, where the ground rent for building sites remains practically unchanged. It is indeed a notorious fact that, apart from increases in the ground rent, house rents produce on an average no more than seven per cent per annum on the invested capital (including profit) for the house-owner, and out of this sum repair costs, etc., must be paid. In short, a rent agreement is quite an ordinary commodity transaction which theoretically is of no greater and no lesser interest to the worker than any other commodity transaction, with the exception of that which concerns the buying and selling of labour power, while practically the worker faces the rent agreement as one of the thousand forms of bourgeois cheating, which I dealt with on page 4 of the separate reprint.^c But, as I proved there, this form is also subject to economic regulation.

Mülberger, on the other hand, regards the rent agreement as nothing but pure "arbitrariness" (page 19 of the separate reprint) and when I prove the contrary to him he complains that I am telling him "solely things which to his regret he already knew himself".

But all the economic investigations into house rent will not enable us to turn the abolition of the rented dwelling into "one of the most fruitful and magnificent aspirations which have ever sprung from the womb of the revolutionary idea".^d In order to accomplish this we must translate the simple fact from sober economics into the really far more ideological sphere of jurispru-

^a The words "and profit" were added by Engels in the 1887 edition.—*Ed.*

^b *Der Volksstaat* has "in rapidly growing big towns".—*Ed.*

^c The reference is to the separate reprint of F. Engels' *Zur Wohnungsfrage*, Part I, Leipzig, 1872 (see this volume, p. 318).—*Ed.*

^d See this volume, p. 327.—*Ed.*

dence. "The house serves as a perpetual legal title" to house rent, and "*thus it comes*" that the value of a house can be paid back in rent two, three, five or ten times. The "legal title" does not help us a jot to discover how it really "does come", and therefore I said that Mülberger would have been able to find out *how* it really "does come" only by inquiring how the house becomes a legal title. We discover this only after we have examined, as I did, the *economic* nature of house rent, instead of quarrelling with the legal expression under which the ruling class sanctions it.—Anyone who proposes the taking of economic steps to abolish rent surely ought to know a little more about house rent than that it "represents the tribute which the tenant pays to the perpetual title of capital".^a To this Mülberger answers, "A description is one thing, an explanation another."

We have thus converted the house, although it is by no means everlasting, into a perpetual legal title to house rent. We find, no matter how "it comes", that by virtue of this legal title, the house brings in its original value several times over in the form of rent. By the translation into legal phraseology we are happily so far removed from economics that we now can see no more than the phenomenon that a house can gradually get paid for in gross rent several times over. As we are thinking and talking in legal terms, we apply to this phenomenon the measuring stick of right, of justice, and find that it is *unjust*, that it is not in accordance with the "conception of right of the revolution", whatever that may be, and that therefore the legal title is no good. We find further that the same holds good for interest-bearing capital and leased agricultural land, and we now have the excuse for separating these classes of property from the others and subjecting them to exceptional treatment. This consists in the demands: 1) to deprive the owner of the right to give notice to quit, the right to demand the return of his property; 2) to give the lessee, borrower or tenant the gratuitous use of the object transferred to him but not belonging to him; and 3) to pay off the owner in instalments over a long period without interest. And with this we have exhausted the Proudhonist "principles" from this angle. This is Proudhon's "social liquidation".

Incidentally, it is obvious that this whole reform plan is to benefit almost exclusively the petty bourgeois and the small peasants, in that it *consolidates* them in their position as petty bourgeois and small peasants. Thus "the petty bourgeois

^a Cf. this volume, p. 327.—*Ed.*

Proudhon", who, according to Mülberger, is a mythical figure, suddenly takes on here a very tangible historical existence.

Mülberger continues:

"When I say with Proudhon that the economic life of society should be pervaded by a *conception of right*, I am *describing* present-day society as one in which, true, not every conception of right is absent, but in which the conception of right of the revolution is absent, a fact which Engels himself will admit."^a

Unfortunately I am not in a position to do Mülberger this favour. Mülberger demands that society *should* be pervaded by a conception of right and calls that a description. If a court sends a bailiff to me with a summons demanding the payment of a debt, then, according to Mülberger, it does no more than *describe* me as a man who does not pay his debts! A description is one thing, and a presumptuous demand is another. And precisely herein lies the essential difference between German scientific socialism and Proudhon. We describe—and despite Mülberger every real description of a thing is at the same time an explanation of it—economic relationships as they are and as they are developing, and we provide the proof, strictly economically, that their development is at the same time the development of the elements of a social revolution: the development, on the one hand, of a class whose conditions of life necessarily drive it to social revolution, the proletariat, and, on the other hand, of productive forces which, having grown beyond the framework of capitalist society, must necessarily burst that framework, and which at the same time offer the means of abolishing class distinctions once and for all in the interest of social progress itself. Proudhon, on the contrary, demands of present-day society that it shall transform itself not according to the laws of its own economic development, but according to the precepts of justice (the "*conception of right*" does not belong to him, but to Mülberger). Where we prove, Proudhon, and with him Mülberger, *preaches* and laments.

What kind of thing "the conception of right of the revolution" is I am absolutely unable to guess. Proudhon, it is true, makes a sort of goddess out of "*the Revolution*", the bearer and executrix of his "Justice", in doing which he then falls into the peculiar error of mixing up the bourgeois revolution of 1789-94 with the coming proletarian revolution. He does this in almost all his works, particularly since 1848; I shall quote only one as an example, namely, the *Idée générale de la révolution*, pages 39 and 40

^a Here and below Engels quotes from: A. Mülberger, "Zur Wohnungsfrage", *Der Volksstaat*, No. 86, October 26, 1872.—*Ed.*

of the 1868 edition. As, however, Mülberger rejects all and every responsibility for Proudhon, I am not allowed to explain "the conception of right of the revolution" from Proudhon and remain therefore in Egyptian darkness.

Mülberger says further:

"But neither Proudhon nor I appeal to an 'eternal justice' in order thereby to *explain* the existing unjust conditions, or even expect, as Engels imputes to me, the improvement of these conditions from an appeal to this justice."

Mülberger must be banking on the idea that "in Germany Proudhon is, in general, as good as unknown". In all his works Proudhon measures all social, legal, political and religious propositions^a with the rod of "justice", and rejects or recognises them according to whether they conform or do not conform to what he calls "justice". In the *Contradictions économiques*^b this justice is still called "eternal justice", *justice éternelle*. Later on, nothing more is said about eternity, but the idea remains in essence. For instance, in *De la justice dans la révolution et dans l'église*, 1858 edition, the following passage is the text of the whole three-volume sermon (Vol. 1, page 42):

"What is the basic principle, the organic, regulating, sovereign principle of societies, the principle which subordinates all others to itself, which rules, protects, represses, punishes, and in case of need even suppresses all rebellious elements? Is it religion, the ideal or *interest*? ... In my opinion this principle is *justice*.—What is justice? *It is the very essence of humanity*. What has it been since the beginning of the world? Nothing.—What ought it to be? Everything."

Justice which is the very essence of humanity, what is that if not *eternal* justice? Justice which is the organic, regulating, sovereign basic principle of societies, which has nevertheless been nothing up to present, but which ought to be everything—what is that if not the stick with which to measure all human affairs, if not the final arbiter to be appealed to in all conflicts? And did I assert anything else but that Proudhon cloaks his economic ignorance and helplessness by judging all economic relations not according to economic laws, but according to whether they conform or do not conform to his conception of this eternal justice? And what is the difference between Mülberger and Proudhon if Mülberger demands that "all these exchanges in the life of modern society" should be "pervaded by a *conception of right*, that is to say", should

^a *Der Volksstaat* has "all social, legal, and political conditions, all theoretical, philosophical, and religious propositions".—*Ed.*

^b This refers to P. J. Proudhon, *Système des contradictions économiques, ou Philosophie de la misère*.—*Ed.*

“everywhere be carried out according to the *strict demands of justice*”^a? Is it that I can’t read, or that Mülberger can’t write?

Mülberger says further:

“Proudhon knows as well as Marx and Engels that the actual driving spirit in human society is the economic and not the juridical relations; he also knows that the given conceptions of right among a people are only the expression, the imprint, the product of the economic relations—and in particular the relations of production... In a word, for Proudhon right is a historically evolved economic product.”

If Proudhon knows all this (I am prepared to let the unclear expressions used by Mülberger pass and take his good intentions for the deed), if Proudhon knows it all “as well as Marx and Engels”, what is there left to quarrel about? The trouble is that the situation with regard to Proudhon’s knowledge is somewhat different. The economic relations of a given society present themselves in the first place as *interests*. Now, in the passage which has just been quoted from his opus Proudhon says in so many words that the “regulating, organic, sovereign basic principle of societies, the principle which subordinates all others to itself”, is not *interest* but *justice*. And he repeats the same thing in all the decisive passages of all his works, which does not prevent Mülberger from continuing:

“...The idea of economic right, as it was developed by Proudhon most profoundly of all in *La guerre et la paix*, completely coincides with the basic ideas of Lassalle so excellently expressed by him in his foreword to the *System der erworbenen Rechte*.”

La guerre et la paix is perhaps the most schoolboyish of all the many schoolboyish works of Proudhon, but I could not have expected it to be put forward as proof of Proudhon’s alleged understanding of the German materialist conception of history, which explains all historical events and ideas, all politics, philosophy and religion, from the material, economic conditions of life of the historical period in question. The book is so little materialistic that it cannot even construct its conception of war without calling in the help of the *creator*:

“However, the creator, who chose this form of life for us, had his own purposes.” (Vol. II, page 100, 1869 edition.)

On what historical knowledge the book is based can be judged from the fact that it believes in the historical existence of the Golden Age:

^a Cf. this volume, p. 322.—*Ed.*

"In the beginning, when the human race was still sparsely spread over the earth's surface, nature supplied its needs without difficulty. It was the Golden Age, the age of peace and plenty." (Ibid., page 102.)

Its economic standpoint is that of the crassest Malthusianism:

"When production is doubled, the population will soon be doubled also" (page 106).²⁵²

In what does the materialism of this book consist, then? In that it declares the cause of war to have always been and still to be: "pauperism" (for instance, page 143). Uncle Bräsig was just such an accomplished materialist when in his 1848 speech he placidly uttered these grand words: "The cause of the great poverty is the great *pauvreté*."

Lassalle's *System der erworbenen Rechte* bears the imprint of the illusions of not only the jurist, but also the Old Hegelian. On page VII, Lassalle declares expressly that also "in *economics* the conception of acquired right is the driving force of all further development", and he seeks to prove (page XI) that "right is a rational organism developing *out of itself*" (and not, therefore, out of economic prerequisites). For Lassalle it is a question of deriving right not from economic relations, but from

"the concept of the will itself, of which the philosophy of law [right—*Rechtsphilosophie*] is only the development and exposition" (page XII).

So, where does this book come in here? The only difference between Proudhon and Lassalle is that the latter was a real jurist and Hegelian, while in both jurisprudence and philosophy, as in all other matters, Proudhon was merely a dilettante.

I know perfectly well that this man Proudhon, who notoriously continually contradicts himself, occasionally makes an utterance which looks as though he explained ideas on the basis of facts. But such utterances are devoid of any significance when contrasted with the basic tendency of his thought, and where they do occur they are, besides, extremely confused and inherently inconsistent.

At a certain, very primitive stage of the development of society, the need arises to bring under a common rule the daily recurring acts of production, distribution and exchange of products to see to it that the individual subordinates himself to the common conditions of production and exchange. This rule, which at first is custom, soon becomes *law*. With law, organs necessarily arise which are entrusted with its maintenance—public authority, the state. With further social development, law develops into a more or less comprehensive legal system. The more intricate this legal

system becomes, the more is its mode of expression removed from that in which the usual economic conditions of the life of society are expressed. It appears as an independent element which derives the justification for its existence and the substantiation of its further development not from the economic relations but from its own inner foundations or, if you like, from "the concept of the will". People forget that their right derives from their economic conditions of life, just as they have forgotten that they themselves derive from the animal world. With the development of the legal system into an intricate, comprehensive whole a new social division of labour becomes necessary; an order of professional jurists develops and with these legal science comes into being. In its further development this science compares the legal systems of various peoples and various times not as a reflection of the given economic relationships, but as systems which find their substantiations in themselves. The comparison presupposes points in common, and these are found by the jurists compiling what is more or less common to all these legal systems and calling it *natural right*. And the stick used to measure what is natural right and what is not is the most abstract expression of right itself, namely, *justice*. Henceforth, therefore, the development of right for the jurists, and for those who take their word for everything, is nothing more than a striving to bring human conditions, so far as they are expressed in legal terms, ever closer to the ideal of justice, *eternal justice*. And always this justice is but the ideologised, idealised expression of the existing economic relations, now from their conservative, and now from their revolutionary angle. The justice of the Greeks and Romans held slavery to be just; the justice of the bourgeois of 1789 demanded the abolition of feudalism on the ground that it was unjust. For the Prussian Junker even the miserable district regulations are a violation of eternal justice.²⁵³ The conception of eternal justice, therefore, varies not only with time and place, but also with the persons concerned, and belongs among those things of which Mülberger correctly says, "everyone understands something different". While in everyday life, in view of the simplicity of the relations discussed, expressions like right, wrong, justice, and sense of right are accepted without misunderstanding even with reference to social matters, they create, as we have seen, the same hopeless confusion in any scientific investigation of economic relations as would be created, for instance, in modern chemistry if the terminology of the phlogiston theory were to be retained. The confusion becomes still worse if one, like Proudhon, believes in this social phlogiston,

“justice”, or if one, like Mülberger, avers that the phlogiston theory is as correct as the oxygen theory.*

III

Mülberger further complains that I called his “emphatic” utterance,

“that there is no more terrible mockery of the whole culture of our lauded century than the fact that in the big cities 90 per cent and more of the population have no place that they can call their own”^a

— a reactionary jeremiad. To be sure. If Mülberger had confined himself, as he pretends, to describing “the horrors of the present time” I should certainly not have said one ill word about “him and his modest words”. In fact, however, he does something quite different. He describes these “horrors” as the *result* of the fact that the workers “*have no place that they can call their own*”. Whether one laments “the horrors of the present time” for the reason that the ownership of houses by the workers has been abolished or, as the Junkers do, for the reason that feudalism and the guilds have been abolished, in either case nothing can come of it but a reactionary jeremiad, a song of sorrow at the coming of the inevitable, of the historically necessary. Its reactionary character lies precisely in the fact that Mülberger wishes to re-establish individual house ownership for the workers—a matter which history has long ago put an end to; that he can conceive of the emancipation of the workers in no other way than by making everyone once again the owner of his own house.

And further:

“I declare most emphatically, the real struggle is to be waged against the capitalist mode of production; only *from its transformation* is an improvement of housing conditions to be hoped for. Engels sees nothing of all this ... I presuppose

* Before the discovery of oxygen chemists explained the burning of substances in atmospheric air by assuming the existence of a special igneous substance, phlogiston, which escaped during the process of combustion. Since they found that simple substances on combustion weighed more after having been burned than they did before, they declared that phlogiston had a negative weight so that a substance without its phlogiston weighed more than one with it. In this way all the main properties of oxygen were gradually ascribed to phlogiston, but all in an *inverted* form. The discovery that combustion consists in a combination of the burning substance with another substance, oxygen, and the discovery of this oxygen disposed of the original assumption, but only after long resistance on the part of the older chemists.

^a See this volume, p. 323.—*Ed.*

the complete settlement of the social question in order to be able to proceed to the abolition of the rented dwelling.”^a

Unfortunately, I still see nothing of all this even now. It surely is impossible for me to know what someone whose name I never heard presupposes in the secret recesses of his mind. All I could do was to stick to the printed articles of Mülberger. And there I find even today (pages 15 and 16 of the reprint) that Mülberger, in order to be able to proceed to the abolition of the rented dwelling, presupposes nothing except—the rented dwelling. Only on page 17 he takes “the productivity of capital by the horns”, to which we shall come back later. Even in his answer he confirms this when he says:

“It was rather a question of showing how, *from existing conditions*, a complete transformation in the housing question could be achieved.”

From existing conditions, and from the transformation (read: abolition) of the capitalist mode of production, are surely diametrically opposite things.

No wonder Mülberger complains when I regard the philanthropic efforts of M. Dollfus and other manufacturers to assist the workers to obtain houses of their own as the only possible practical realisation of his Proudhonist projects. If he were to realise that Proudhon’s plan for the salvation of society is a fantasy resting completely on the basis of *bourgeois* society, he would naturally not believe in it. I have never at any time called his good intentions in question. But why then does he praise Dr. Reschauer^b for proposing to the Vienna City Council that it should imitate Dollfus’ projects?

Mülberger further declares:

“As far as the antithesis between town and country is particularly concerned, it is utopian to want to abolish it. This antithesis is a natural one, or more correctly, one that has arisen historically.... The question is not one of *abolishing* this antithesis, but of finding political and social forms in which it would be *harmless*, indeed even *fruitful*. In this way it would be possible to expect a peaceful adjustment, a gradual balancing of interests.”

So the abolition of the antithesis between town and country is utopian, *because* this antithesis is a natural one, or more correctly, one that has arisen historically. Let us apply this same logic to other contrasts in modern society and see where we land. For instance:

^a Here and below Engels quotes from: A. Mülberger, “Zur Wohnungsfrage”, *Der Volksstaat*, No. 86, October 26, 1872.—*Ed.*

^b H. Reschauer, *Die Wohnungsnoth und ihr schädlicher Einfluß auf die Kleingewerbetreibenden und Lohnarbeiter*, Vienna, 1871.—*Ed.*

"As far as the antithesis between" the capitalists and the wage-workers "is particularly concerned, it is utopian to want to abolish it. This antithesis is a natural one, or more correctly, one that has arisen historically. The question is not one of *abolishing* this antithesis, but of finding political and social forms in which it would be *harmless*, indeed even *fruitful*. In this way it would be possible to expect a peaceful adjustment, a gradual balancing of interests."

And with this we have once again arrived at Schulze-Delitzsch.

The abolition of the antithesis between town and country is no more and no less utopian than the abolition of the antithesis between capitalists and wage-workers. From day to day it is becoming more and more a practical demand of both industrial and agricultural production. No one has demanded this more energetically than Liebig in his writings on the chemistry of agriculture, in which his first demand has always been that man shall give back to the land what he receives from it, and in which he proves that only the existence of the towns, and in particular the big towns, prevents this.^a When one observes how here in London alone a greater quantity of manure than is produced by the whole kingdom of Saxony is poured away every day into the sea with an expenditure of enormous sums, and what colossal structures are necessary in order to prevent this manure from poisoning the whole of London, then the utopia of abolishing the antithesis between town and country is given a remarkably practical basis. And even comparatively unimportant Berlin has been suffocating in the malodours of its own filth for at least thirty years. On the other hand, it is completely utopian to want, like Proudhon, to upheave present-day bourgeois society while maintaining the peasant as such. Only as uniform a distribution as possible of the population over the whole country, only an intimate connection between industrial and agricultural production together with the extension of the means of communication made necessary thereby—granted the abolition of the capitalist mode of production—will be able to deliver the rural population from the isolation and stupor in which it has vegetated almost unchanged for thousands of years. To be utopian does not mean to maintain that the emancipation of humanity from the chains which its historic past has forged will be complete only when the antithesis between town and country has been abolished; the utopia begins

^a Justus von Liebig, *Die Chemie in ihrer Anwendung auf Agricultur und Physiologie*, Part 1, Brunswick, 1862, pp. 128-29 et seq.—Ed.

only when one ventures, "from existing conditions", to prescribe the *form* in which this or any other antithesis of present-day society is to be resolved. And this is what Mülberger does by adopting the Proudhonist formula for the settlement of the housing question.

Mülberger then complains that I have made him to a certain extent co-responsible for "Proudhon's monstrous views on capital and interest", and declares:

"I presuppose the alteration of the relations of production *as an accomplished fact*, and the transitional law regulating the rate of interest does not deal with relations of production but with the social turnover, the relations of circulation... The alteration of the relations of production, or, as the German school says more accurately, the abolition of the capitalist mode of production, certainly does not result, as Engels *tries to make me say*, from a transitional law abolishing interest, but from the *actual seizure of all the instruments of labour*, from the seizure of industry as a whole by the working people. Whether the working people will in that event worship" (!) "redemption sooner than immediate expropriation is not for either Engels or me to decide."

I rub my eyes in astonishment. I am reading Mülberger's disquisition through once again from beginning to end in order to find the passage where he says his redemption of the rented dwelling presupposes as an accomplished fact "the actual seizure of all the instruments of labour, the seizure of industry as a whole by the working people", but I am unable to find any such passage. It does not exist. There is nowhere mention of "actual seizure", etc., but there is the following on page 17:

"Let us now assume that the productivity of capital *is really taken by the horns*, as it must be sooner or later, for instance, *by a transitional law which fixes the interest on all capitals at one per cent*, but mark you, with the tendency to make even this rate of interest approximate more and more to the zero point... Like all other products, houses and dwellings are naturally also included within the purview of this law... We see, therefore, from this angle that the redemption of the rented dwelling *is a necessary consequence of the abolition of the productivity of capital in general*."^a

Thus it is said here in plain words, quite contrary to Mülberger's latest about-face, that the productivity of capital, by which confused phrase he admittedly means the capitalist mode of production is really "taken by the horns" by a law abolishing interest, and that precisely as a result of such a law "the redemption of the rented dwelling is a necessary consequence of the abolition of the productivity of capital in general". Not at all, says Mülberger now. That transitional law "does not deal with relations of *production* but with relations of *circulation*". In view of

^a A. Mülberger, *Die Wohnungsfrage* (see this volume, p. 331).—Ed.

this crass contradiction, "equally mysterious for wise men as for fools", as Goethe would say,^a all that is left for me to do is to assume that I am dealing with two separate and distinct Mülbergers, one of whom rightly complains that I "tried to make him say" what the other caused to be printed.

It is certainly true that the working people will ask neither me nor Mülberger whether in the actual seizure they will "worship redemption sooner than immediate expropriation". In all probability they will prefer not to "worship" at all. However, there never was any question of the actual seizure of all the instruments of labour by the working people, but only of Mülberger's assertion (page 17) that "the whole content of the solution of the housing question is comprised in the word *redemption*". If he now declares this redemption to be extremely doubtful, what was the sense in giving the two of us and our readers all this unnecessary trouble?

Moreover, it must be pointed out that the "actual seizure" of all the instruments of labour, the taking possession of industry as a whole by the working people, is the exact opposite of the Proudhonist "redemption". In the latter case the *individual worker* becomes the owner of dwelling, the peasant farm, the instruments of labour; in the former case, the "working people" remain the collective owner of the houses, factories and instruments of labour, and will hardly permit their use, at least during a transitional period, by individuals or associations without compensation for the cost. In the same way, the abolition of property in land is not the abolition of ground rent but its transfer, if in a modified form, to society. The actual seizure of all the instruments of labour by the working people, therefore, does not at all preclude the retention of rent relations.

In general, the question is not whether the proletariat when it comes to power will simply seize by force the instruments of production, the raw materials and means of subsistence, whether it will pay immediate compensation for them or whether it will redeem the property therein by small instalment payments. To attempt to answer such a question in advance and for all cases would be utopia-making, and that I leave to others.

IV

There was need to consume so much ink and paper in order to bore a way through Mülberger's diverse twists and turns to the

^a Cf. Goethe, *Faust*, Part I, Scene 6 ("Hexenküche").— *Ed.*

real point at issue, a point which Mülberger carefully evades in his answer.

What were Mülberger's positive statements in his article?

First: that "the difference between the original cost price of a house, building site, etc., and its present value" belongs by right to society.^a In the language of economics, this difference is called ground rent. Proudhon too wants to appropriate this for society, as one may read in his *Idée générale de la révolution*, page 219 of the 1868 edition.

Secondly: that the solution of the housing problem consists in everyone becoming the owner instead of the tenant of his dwelling.

Thirdly: that this solution shall be put into effect by passing a law turning rent payments into instalment payments on the purchase price of the dwelling.—Points 2 and 3 are both borrowed from Proudhon, as anyone can see in the *Idée générale de la révolution*, page 199 et seq., where on page 203 a project of the law in question is to be found already drafted.

Fourthly: that the productivity of capital is taken by the horns by a transitional law reducing the rate of interest provisionally to one per cent, subject to further reduction later on. This point has also been taken from Proudhon, as may be read in detail on pages 182 to 186 of the *Idée générale*.

With regard to each of these points I have cited the passage in Proudhon where the original of the Mülberger copy is to be found, and I ask now whether I was justified in calling the author of an article containing completely Proudhonist and nothing but Proudhonist views a Proudhonist or not? Nevertheless, Mülberger complains about nothing more bitterly than that I call him a Proudhonist because I "came upon a few *expressions* that are peculiar to Proudhon"! On the contrary. The "*expressions*" all belong to Mülberger, their *content* belongs to Proudhon. And when I then supplement this Proudhonist disquisition with Proudhon, Mülberger complains that I am ascribing to him the "monstrous views" of Proudhon!

What did I reply to this Proudhonist plan?

First: that the transfer of ground rent to the state is tantamount to the abolition of individual property in land.

Secondly: that the redemption of the rented dwelling and the transfer of property in the dwelling to the party who was the tenant hitherto does not at all affect the capitalist mode of production.

^a A. Mülberger, *Die Wohnungsfrage*, p. 8.—Ed.

Thirdly: that with the present development of large-scale industry and towns this proposal is as absurd as it is reactionary, and that the reintroduction of the individual ownership of his dwelling by each individual would be a step backward.

Fourthly: that the compulsory reduction of the rate of interest on capital would by no means attack the capitalist mode of production^a; and that, on the contrary, as the usury laws prove, it is as old as it is impossible.

Fifthly: that the abolition of interest on capital by no means abolishes the payment of rent for houses.

Mülberger has now admitted points 2 and 4. To the other points he makes no reply whatever. And yet these are just the points around which the whole debate centres. Mülberger's answer, however, is not a refutation: it carefully avoids dealing with all economic points, which after all are the decisive ones. It is a personal complaint, nothing more. For instance, he complains when I anticipate his announced solution of other questions, for example, state debts, private debts and credit, and say that his solution will everywhere be the same, namely, that, as in the housing question, the abolition of interest, the conversion of interest payments into instalment payments on the capital sum, and free credit. Nevertheless, I am still ready to bet that if these articles of Mülberger see the light of day, their essential content will coincide with Proudhon's *Idée générale*: credit, page 182; state debts, page 186; private debts, page 196—just as much as his articles on the housing question coincided with the passages I quoted from the same book.

Mülberger takes this opportunity to inform me that questions such as taxation, state debts, private debts and credit, to which is now added the question of communal autonomy, are of the greatest importance to the peasant and for propaganda in the countryside. To a great extent I agree, but 1) up to the moment there has been no discussion of the peasant, and 2) the Proudhonian "solutions" of all these problems are just as absurd economically and just as essentially bourgeois as his solution of the housing problem. I need hardly defend myself against Mülberger's suggestion that I fail to appreciate the necessity of drawing the peasants into the movement. However, I certainly consider it folly to recommend the Proudhonian quackery to them for this purpose. There is still very much big landed property in Germany. According to Proudhon's theory all this ought to be

^a *Der Volksstaat* has "capitalist production".—Ed.

divided up into small peasant farms, which, in the present state of scientific agriculture and after the experience with small land allotments in France and Western Germany, would be positively reactionary. The big landed estates which still exist will rather afford us a welcome basis for the carrying on of agriculture on a large scale—the only system of farming which can utilise all modern facilities, machinery, etc.—by associated workers, and thus demonstrating to the small peasants the advantages of large-scale operation by means of association. The Danish socialists, who in this respect are ahead of all others, saw this long ago.^a

It is equally unnecessary for me to defend myself against the suggestion that I regard the existing infamous housing conditions of the workers as “an insignificant detail”. As far as I know, I was the first to describe in German these conditions in their classical form as they exist in England; not, as Mülberger opines, because they “violated my *sense of justice*”—anyone who insisted on writing books about all the facts which violated his sense of justice would have a lot to do—but, as can be read in the Preface to my book,^b in order to provide a factual basis, by describing the social conditions created by modern large-scale industry, for German socialism, which was then arising and expending itself in empty phrases. However, it never entered my head to try to settle the so-called housing *question* any more than to occupy myself with the details of the still more important *food question*. I am satisfied if I can prove that the production of our modern society is sufficient to provide all its members with enough to eat, and that there are houses enough in existence to provide the working masses for the time being with roomy and healthy living accommodation. To speculate on how a future society might organise the distribution of food and dwellings leads directly to *utopia*. The utmost we can do is to state from our understanding of the basic conditions of all modes of production up to now that with the downfall of the capitalist mode of production certain forms of appropriation which existed in society hitherto will become impossible. Even the transitional measures will everywhere have to be in accordance with the relations existing at the moment. In countries of small landed property they will be substantially different from those in countries where big landed property prevails, etc. Mülberger himself shows us better than anyone else where one arrives at if

^a F. Engels, “The Position of the Danish Members of the International on the Agrarian Question” (see this volume, pp. 57-58).—Ed.

^b F. Engels, *The Condition of the Working-Class in England* (see present edition, Vol. 4, pp. 302-04).—Ed.

one attempts to find separate solutions for so-called practical problems like the housing question, etc. He first took 28 pages to explain^a that "the whole content of the solution of the housing question is comprised in the word *redemption*", and then, when hard pressed, begins to stammer in embarrassment that it is really very doubtful whether, on actually taking possession of the houses, "the working people will worship redemption" sooner than some other form of expropriation.^b

Mülberger demands that we should become *practical*, that we should not "come forward merely with dead and abstract formulas" when "faced with real practical relations", that we should "proceed beyond abstract socialism and *come close to the definite concrete relations of society*". If Mülberger had done this he might perhaps have rendered great service to the movement. The first step in coming close to the definite concrete relations of society is surely that one should learn what they are, that one should examine them according to their existing economic interconnections. But what do we find in Mülberger's articles? Two whole sentences, namely:

1. "The tenant is in the same position in relation to the house-owner as the wage-worker in relation to the capitalist." [Page 13.]

I have proved on page 6 of the reprint that this is totally wrong,^c and Mülberger has not a word to say in reply.

2. "However, the bull which" (in the social reform) "must be taken by the horns is *the productivity of capital*, as the liberal school of political economy calls it, a thing which *in reality does not exist*, but which in its *seeming existence* serves as a cloak for all the inequality which burdens present-day society."^d

Thus, the bull which has to be taken by the horns "*in reality does not*" exist, and therefore also has no "horns". Not the bull itself is the evil, but his *seeming existence*. Despite this, "the so-called productivity" (of capital) "is able to conjure up houses and towns" whose existence is anything but "seeming". (Page 12.) And a man who, although Marx's *Capital* "is familiar also to him", jabbars in this hopelessly confused fashion about the relation of capital and labour, undertakes to show the German workers a new and better path, and presents himself as the "master builder" who is

"clear about the architectural structure of the future society, at least in its main outlines"! [Page 13.]

^a *Der Volksstaat* has "to explain in detail".—Ed.

^b See this volume, p. 385.—Ed.

^c *Ibid.*, p. 320.—Ed.

^d A. Mülberger, *Die Wohnungsfrage*, p. 7 (cf. this volume, p. 331).—Ed.

No one has come closer "to the definite concrete relations of society" than Marx in *Capital*. He spent twenty-five years investigating them from all angles, and the results of his criticism contain throughout also the germs of so-called solutions, in so far as they are possible at all today. But that is not enough for friend Mülberger. That is all abstract socialism, dead and abstract formulas. Instead of studying the "definite concrete relations of society", friend Mülberger contents himself with reading through a few volumes of Proudhon which, although they offer him next to nothing concerning the definite concrete relations of society, offer him, on the contrary, very definite concrete miraculous remedies for all social evils. He then presents this ready-made plan for social salvation, this Proudhonian *system*, to the German workers under the pretext that *he* wants "to say good-bye to the *systems*", while I "choose the opposite path"! In order to grasp this I must assume that I am blind and Mülberger deaf so that any understanding between us is utterly impossible.

But enough. If this polemic serves for nothing else it has in any case the value of having given proof of what there really is to the practice of these self-styled "practical" socialists. These practical proposals for the abolition of all social evils, these universal social panaceas, have always and everywhere been the work of founders of sects who appeared at a time when the proletarian movement was still in its infancy. Proudhon too belongs to them. The development of the proletariat soon casts aside these swaddling-clothes and engenders in the working class itself the realisation that nothing is less practical than these "practical solutions", concocted in advance and universally applicable, and that practical socialism consists rather in a correct knowledge of the capitalist mode of production from its various aspects. A working class which knows what's what in this regard will *never* be in doubt in any case as to which social institutions should be the objects of its main attacks, and in what manner these attacks should be executed.

Written in May 1872-January 1873

First published in *Der Volksstaat*, Nos. 51, 52, 53, 103 and 104, June 26 and 29, July 3, December 25 and 28, 1872; Nos. 2, 3, 12, 13, 15 and 16, January 4 and 8, February 8, 12, 19 and 22, 1873; and in three separate reprints in Leipzig in 1872-73

Printed according to the 1887 edition checked with the newspaper text