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THE ECONOMIC CONSEQUENCES OF SOCIALISM

By **GEORGE W. GOUGH**



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PREFACE

SINCE 'His Majesty's Opposition' is definitely a Socialist Party, in its leadership, its creed and its immediate proposals, a knowledge of Socialism is no longer a merely academic attainment but the necessary equipment of every good citizen. To the Westminster Library Dr. Shadwell has already contributed a masterly history of *The Socialist Movement*, to which my own book is in some sort a sequel and companion.

I have tried to explain clearly what Socialism is, and what are the chief economic characteristics of the country to which its advocates wish to apply its principles. I then examine these principles, always with special reference to British conditions, and seek to establish the conclusion that grave and immediate damage would be done to the economic structure of this country if British Socialists were ever permitted to make a beginning with their plans for constructing what they are pleased to call 'A New Social Order.'

Economics is not an exact science, but it is exact enough to enable its criteria to be applied to the problem of forecasting the effects of British Socialism on British trade and industry, and that is what I have tried to do.

This is obviously a department of economic study

in which the writer must clearly set forth the conclusions to which he has come on the matters before him. In that sense only, this book is a contribution to a great controversy, and I have not avoided plainness of speech where I deemed it called for; but, while not concealing my own view that Socialism is a deadly enemy of social progress, I have throughout stated the case for Socialism as emphatically as if I were myself a Socialist.

The economic future of this country depends upon an ever-growing efficiency in manufacturing and marketing its products. Failure here means failure everywhere, hopeless and irremediable. Economic analysis shows that Socialism inevitably means failure here.

Such is the position I seek to establish.

G. W. G.

August, 1926.

P.S.—It may be well to point out that this book was not only written but in type before the publication of Mr. H. G. Wells' *World of William Clissold*. My account of the fallacy-breeding word 'system' is therefore quite independent of, though so closely similar to, the brilliant pages which he devotes to the same topic.

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