CHAPTER VI.

METHODS OF ECONOMY.

"It was with profound wisdom that the Romans called by the same name courage and virtue. There is, in fact, no virtue, properly so called, without victory over ourselves; and what costs us nothing, is worth nothing."—DE MAISTRE.

"Almost all the advantages which man possesses above the inferior animals arise from his power of acting in combination with his fellows, and of accomplishing by the united efforts of numbers what could not be accomplished by the detached efforts of individuals."—J. S. MILL.

"For the future, our main security will be in the wider diffusions of property, and in all such measures as will facilitate this result. With the possession of property will come conservative instincts, and disinclination for rash and reckless schemes..... We trust much, therefore, to the rural population becoming proprietors, and to the urban population becoming capitalists."—W. R. GREG.

THE methods of practicing economy are very simple. Spend less than you earn. That is the first rule. A portion should always be set apart for the future. The person who spends more than he earns is a fool. The civil law regards the spendthrift as akin to the lunatic, and frequently takes from him the management of his own affairs.

The next rule is, to pay ready money, and never, on any account, to run into debt. The person who runs into debt is apt to get cheated; and if he runs into debt to any extent, he will himself be apt to get dishonest. "Who pays what he owes, enriches himself."

The next is, never to anticipate uncertain profits by expending them before they are secured. The profits

may never come, and in that case you will have taken upon yourself a load of debt which you may never get rid of. It will sit upon your shoulders like the old man in Sindbad.

Another method of economy is, to keep a regular account of all that you earn and of all that you expend. An orderly man will know beforehand what he requires, and will be provided with the necessary means for obtaining it. Thus his domestic budget will be balanced, and his expenditure kept within his income.

John Wesley regularly adopted this course. Although he possessed a small income, he always kept his eyes upon the state of his affairs. A year before his death, he wrote, with a trembling hand, in his Journal of Expenses: "For more than eighty-six years I have kept my accounts exactly. I do not care to continue to do so any longer, having the conviction that I economize all that I obtain, and give all that I can—that is to say, all that I have."

Besides these methods of economy, the eye of the master or the mistress is always necessary to see that nothing is lost, that every thing is put to its proper use and kept in its proper place, and that all things are done decently and in order. It does no dishonor to even the highest individuals to take a personal interest in their own affairs. And with persons of moderate means, the necessity for the eye of the master overlooking every thing, is absolutely necessary for the proper conduct of business.

It is difficult to fix the precise limits of economy. Bacon says that if a man would live well within his income, he ought not to expend more than one-half, and save the rest. This is perhaps too exacting; and Bacon himself did not follow his own advice. What

proportion of one's income should be expended on rent? That depends upon circumstances. In the country about one tenth; in London about one-sixth. It is, at all events, better to save too much than spend too much. One may remedy the first defect, but not so easily the latter. Wherever there is a large family, the more money that is put to one side and saved, the better.

Economy is necessary to the moderately rich as well as to the comparatively poor man. Without economy, a man can not be generous. He can not take part in the charitable work of the world. If he spends all that he earns, he can help nobody. He can not properly educate his children, nor put them in the way of starting fairly in the business of life. Even the example of Bacon shows that the loftiest intelligence can not neglect thrift without peril. But thousands of witnesses daily testify that men even of the most moderate intelligence can practice the virtue with success.

Although Englishmen are a diligent, hard-working, and generally self-reliant race, trusting to themselves and their own efforts for their sustenance and advancement in the world, they are yet liable to overlook and neglect some of the best practical methods of improving their position and securing their social well-being. They are not yet sufficiently educated to be temperate, provident, and foreseeing. They live for the present, and are too regardless of the coming time. Men who are husbands and parents generally think they do their duty if they provide for the hour that is, neglectful of the hour that is to come. Though industrious, they are improvident; though money-making, they are spend-thrift, They do not exercise forethought enough, and are defective in the virtue of prudent economy.

Men of all classes, are, as yet, too little influenced by

these considerations. They are apt to live beyond their incomes—at all events, to live up to them. The upper classes live too much for display; they must keep up their "position in society;" they must have fine houses, horses, and carriages; give good dinners, and drink rich wines; their ladies must wear costly and gay dresses. Thus the march of improvidence goes on over broken hearts, ruined hopes, and wasted ambitions.

The vice descends in society: the middle classes strive to ape the patrician orders; they flourish crests, liveries, and hammer-cloths; their daughters must learn "accomplishments," see "society," ride and drive, frequent operas and theatres. Display is the rage, ambition rivalling ambition; and thus the vicious folly rolls on like a tide. The vice again descends. The working-classes, too, live up to their means—much smaller means, it is true; but even when they are able, they are not sufficiently careful to provide against the evil day; and then only the poor-house offers its scanty aid to protect them against want.

To save money for avaricious purposes is altogether different from saving it for economical purposes. The saving may be accomplished in the same manner—by wasting nothing and saving every thing. But here the comparision ends. The miser's only pleasure is in saving. The prudent economist spends what he can afford for comfort and enjoyment, and saves a surplus for some future time. The avaricious person makes gold his idol: it is his molten calf, before which he constantly bows down; whereas the thrifty person regards it as a useful instrument, and as a means of promoting his own happiness and the happiness of those who are dependent upon him. The miser is never satisfied. He amasses wealth that he can never consume, but leaves

it to be squandered by others, probably by spendthrifts; whereas the economist aims at securing a fair share of the world's wealth and comfort, without any thought of amassing a fortune.

It is the duty of all persons to economize their means —of the young as well as of the old. The Duke of Sully mentions, in his "Memoirs," that nothing contributed more to his fortune than the prudent economy which he practiced, even in his youth, of always preserving some ready money in hand for the purpose of meeting circumstances of emergency. Is a man married? Then the duty of economy is still more binding. His wife and children plead to him most eloquently. Are they, in the event of his early death, to be left to buffet with the world unaided? The hand of charity is cold, the gifts of charity are valueless compared with the gains of industry and the honest savings of frugal labor, which carry with them blessings and comforts, without inflicting any wound upon the feelings of the helpless and bereaved. Let every man, therefore, who can, endeavor to economize and to save; not to hoard, but to nurse his little savings, for the sake of promoting the welfare and happiness of himself while here, and of others when he has departed.

There is a dignity in the very effort to save with a worthy purpose, even though the attempt should not be crowned with eventual success. It produces a well-regulated mind; it gives prudence a triumph over extravagance; it gives virtue the mastery over vice; it puts the passions under control; it drives away care; it secures comfort. Saved money, however little, will serve to dry up many a tear—will ward off many sorrows and heart-burnings, which otherwise might prey upon us. Possessed of a little store of capital, a man walks with a lighter step, his heart beats more cheerily.

When interruption of work or adversity happens, he can meet it; he can recline on his capital, which will either break his fall or prevent it altogether. By prudential economy, we can realize the dignity of man; life will be a blessing, and old age an honor. We can ultimately, under a kind Providence, surrender life, conscious that we have been no burden upon society, but rather, perhaps, an acquisition and ornament to it; conscious, also, that, as we have been independent, our children after us, by following our example and availing themselves of the means we have left behind us, will walk in like manner through the world in happiness and independence.

Every man's first duty is, to improve, to educate, and elevate himself, helping forward his brethren at the same time by all reasonable methods. Each has within himself the capability of free-will and free action to a large extent; and the fact is proved by the multitude of men who have successfully battled with and overcome the adverse circumstances of life in which they have been placed; and who have risen from the lowest depths of poverty and social debasement, as if to prove what energetic man, resolute of purpose, can do for his own elevation, progress, and advancement in the world. Is it not a fact that the greatness of humanity, the glory of communities, the power of nations, are the result of trials and difficulties encountered and overcome?

Let a man resolve and determine that he will advance, and the first step of advancement is already made. The first step is half the battle. In the very fact of advancing himself, he is in the most effectual possible way advancing others. He is giving them the most eloquent of all lessons—that of example; which teaches far more emphatically than words can

teach. He is doing what others are by imitation incited to do. Beginning with himself, he is in the most emphatic manner teaching the duty of self-reform and of self-improvement; and if the majority of men acted as he did, how much wiser, how much happier, how much more prosperous, as a whole, would society become! For, society being made up of units, will be happy and prosperous, or the reverse, exactly in the same degree as the respective individuals who compose it.

Complaints about the inequality of conditions are as old as the world. In the "Economy" of Xenophon, Socrates asks, "How is it that some men live in abundance, and have something to spare, while others can scarcely obtain the necessaries of life, and at the same time run into debt?" "The reason is," replied Isomachus, "because the former occupy themselves with their business, while the latter neglect it."

The difference between men consists, for the most part, in intelligence, conduct, and energy. The best character never works by chance, but is under the influence of virtue, prudence, and forethought.

There are, of course, many failures in the world. The man who looks to others for help, instead of relying on himself, will fail. The man who is undergoing the process of perpetual waste will fail. The miser, the scrub, the extravagant, the thriftless, will necessarily fail. Indeed, most people fail because they do not deserve to succeed. They set about their work in the wrong way, and no amount of experience seems to improve them. There is not so much in luck as some people profess to believe. Luck is only another word for good management in practical affairs. Richelieu used to say that he would not continue to employ an unlucky man—in other words, a man wanting in practical qualities, and unable to profit by experience; for failures in the past are very often the auguries of failures in the future.

Some of the best and ablest of men are wanting in tact. They will neither make allowance for circumstances, nor adapt themselves to circumstances: they will insist on trying to drive their wedge the broad end foremost. They raise walls only to run their own heads against. They make such great preparations, and use such great precautions, that they defeat their own object—like the Dutchman mentioned by Washington Irving, who, having to leap a ditch, went so far back to have a good run at it, that when he came up he was completely winded, and had to sit down on the wrong side to recover his breath.

In actual life, we want things done, not preparations for doing it; and we naturally prefer the man who has definite aims and purposes, and proceeds in the straightest and shortest way to accomplish his object, to the one who describes the thing to be done, and spins fine phrases about doing it. Without action, words are mere maundering.

The desire for success in the world, and even for the accumulation of money, is not without its uses. It has doubtless been implanted in the human heart for good rather than for evil purposes. Indeed, the desire to accumulate forms one of the most powerful instruments for the regeneration of society. It provides the basis for individual energy and activity. It is the beginning of maritime and commercial enterprise. It is the foundation of industry, as well as of independence. It impels men to labor, to invent, and to excel.

No idle or thriftless man ever became great. It is among those who never lost a moment that we find the men who have moved and advanced the world—by their

their learning, their science, or their inventions. Labor of some sort is one of the conditions of existence. The thought has come down to us from pagan times, that "labor is the price which the gods have set upon all that is excellent." The thought is also worthy of Christian times.

Every thing depends, as we shall afterwards find, upon the uses to which accumulations of wealth are applied. On the tombstone of John Donough, of New Orleans, the following maxims are engraved as the merchant's guide to young men on their way through life:

"Remember always that labor is one of the conditions of our existence.
"Time is gold; throw not one minute away, but place each one to account.
"Do unto all men as you would be done by.
"Never put off till to-morrow what can be done to-day.
"Never bid another do what you can do yourself.
"Never covet what is not your own.
"Never think any matter so trifling as not to deserve notice.
"Never give out what does not come in.
"Do not spend, but produce.
"Let the greatest order regulate the actions of your life.
"Study in your course of life to do the greatest amount of good.
"Deprive yourself of nothing that is necessary to your comfort, but live in honorable simplicity and frugality.
"Labor, then, to the last moment of your existence."

Most men have it in their power, by prudent arrangements, to defend themselves against adversity, and to throw up a barrier against destitution. They can do this by their own individual efforts, or by acting on the principle of co-operation, which is capable of an almost indefinite extension. People of the most humble condition, by combining their means and associating together, are enabled in many ways to defend themselves against the pressure of poverty, to promote their physical well-being, and even to advance the progress of the nation.

A solitary individual may be able to do very little to advance and improve society; but when he combines with his fellows for the purpose, he can do a very great deal. Civilization itself is but the effect of combining. Mr. Mill has said that "almost all the advantages which man possesses over the inferior animals arise from his power of acting in combination with his fellows, and of accomplishing, by the united efforts of numbers, what could not be accomplished by the detached efforts of individuals."

The secret of social development is to be found in co-operation; and the great question of improved economical and social life can only receive a satisfactory solution through its means. To effect good on a large scale, men must combine their efforts; and the best social system is that in which the organization for the common good is rendered the most complete in all respects.

The middle classes have largely employed the principle of association. No class has risen so rapidly, or done more by their energy and industry to advance the power and progress of England. And why? Because the most active have always been the most ready to associate, to co-operate, and to combine. They have combined when they were attacked, combined when they had an abuse to destroy, or a great object to accomplish. They have associated together to manufacture articles of commerce, to make canals, to construct railways, to form gas companies, to institute insurance and banking companies, and to do an immense amount of industrial work. By combining their small capitals together, they have been able to accumulate an enormous aggregate capital, and to execute the most gigantic undertakings.

The middle classes have accomplished more by the

principle of co-operation than the classes who have so much greater need of it. All the joint-stock companies are the result of association. The railways, the telegraphs, the banks, the mines, the manufactories, have, for the most part, been established and are carried on by means of the savings of the middle classes.

The working-classes have only begun to employ the same principle. Yet how much might they accomplish by its means! They might co-operate in saving as well as in producing. They might, by putting their saved earnings together, become, by combination, their own masters. Within a few years past, many millions sterling have been expended in strikes for wages. A hundred millions a year are thrown away upon drink and other unnecessary articles. Here is an enormous capital. Men who expend or waste such an amount can easy become capitalists. It requires only will, energy, and self-denial. So much money spent on buildings, plant, and steam-engines would enable them to manufacture for themselves, instead of for the benefit of individual capitalists. The steam-engine is impartial in its services. It is no respecter of persons; it will work for the benefit of the laborer as well as for the benefit of the millionaire. It will work best for those who make the best use of it, and who have the greatest knowledge of its powers.

The greater number of workmen possess little capital save their labor; and, as we have already seen, many of them uselessly and wastefully spend most of their earnings, instead of saving them and becoming capitalists. By combining in large numbers for the purposes of economicial working, they might easily become capitalists, and operate upon a large scale. As society is now constituted, every man is not only justified, but bound in duty as a citizen, to accumulate his earnings

by all fair and honorable methods, with the view of securing a position of ultimate competence and independence.

We do not say that men should save and hoard their gains for the mere sake of saving and hoarding: this would be parsimony and avarice. But we do say that all men ought to aim at accumulating a sufficiency; enough to maintain them in comfort during the helpless years that are to come; to maintain them in time of sickness and of sorrow, and in old age, which, if it does come, ought to find them with a little store of capital in hand, sufficient to secure them from dependence upon the charity of others.

Workmen are for the most part disposed to associate; but the association is not always of a healthy kind. It sometimes takes the forms of unions against masters; and displays itself in the strikes that are so common, and usually so unfortunate. Workmen also strike against men of their own class, for the purpose of excluding them from their special calling. One of the principal objects of trades-unions is to keep up wages at the expenses of the lower-paid and unassociated working-people. They endeavor to prevent poorer men learning their trade, and thus keep the supply of labor below the demand. This system may last for a time, but it becomes ruinous in the end.

It is not the want of money that prevents skilled workmen from becoming capitalists, and opening the door for the employment of laboring men who are poorer and less skilled than themselves. The workpeople threw away half a million sterling during the Preston strike, after which they went back to work at the old terms. The London building trades threw away over three hundred thousand pounds during their strike; and even had they obtained the terms for