THE STORY
of a
Socialist Publishing House

KARL MARX

Charles H. Kerr & Company
CO-OPERATIVE
CHICAGO
BUSINESS OFFICE, SECOND FLOOR
MARY E. MARCY at Right of Picture
LESLIE H. MARCY
Associate Editor and Field Representative of REVIEW
One of the wonders of the modern world is the growth of the Socialist party and the still greater increase in Socialist sentiment. The party is now regarded as a serious factor in the political life of the United States where a few years ago its importance was regarded as negligible and its activities thought futile. In 1909 Socialists themselves took some pride in the fact that their party had a membership 42,000 strong. In another year and a half announcement was made that the party membership was now 75,000. Editorials began to appear in the conservative newspapers of the country under the heading, “The Socialist Menace,” and even the more zealous of the party workers scarcely thought that this rate of increase would endure much longer. And yet by the middle
of the summer of 1912 the Socialist party numbered nearly 125,000 dues-paying members.

Meantime the general interest in the subject of Socialism has grown until nowadays it is no longer a matter of surprise to hear it discussed on the street corner and around the dinner table; the Socialist speaker is now listened to eagerly where he was formerly hooted and stoned; and the literature of Socialism is now gladly accepted and read by all grades and varieties of people. The wage-worker is ready to hear what Socialism will do for him; the capitalist is anxious to learn what it may do to him. The Socialist vote is now six times as great as it was ten years ago.

The Socialist movement in America has not merely sprung out of the clouds; nor has it been a mushroom growth likely to die down like a sudden fever. Rooted in an economic need, it has been built up and strengthened by the ceaseless work and agitation of thousands of earnest men and women who believe in their cause and never tire of advocating it. By personal conversation, by public meetings in and outdoors, by the publishing of newspapers and magazines; by the circulation and distribution of millions
of leaflets, pamphlets and books they have kept it alive and growing. The movement, then, has been built up by PROPAGANDA.

By this we mean the spread of the knowledge of Socialism, its principles and its aims. Picture to yourself a man talking from a soap-box on a street corner. When he has attracted and held a crowd for a while by his oral exposition of Socialism he holds up a book or pamphlet whose title and contents he explains to his auditors. Quickly his comrades then circulate among the throng and offer each member a copy at a nominal price.

Or imagine a Socialist talking to a friend. He first tries to convince or persuade the friend by conversation or argument and then hands him a book which he advises that the friend read and reflect over at his leisure.

These are sufficient to illustrate the point that the printed word is the main reliance of Socialist propaganda.

One may walk away from an argument, refuse to recognize logic, or in the course of time forget the most brilliant oratory, but the printed book will wait till a man is ready to read it and its message must be faced. Its state-
ments and arguments can be gone over and over again until their meaning becomes clear. And Socialist literature has this advantage: It is usually sold, not given away, and when a man has once bought a book he will generally read with some attention, out of a natural, human desire to “get his money’s worth.” But the work of Socialists does not end when they have won a man’s vote or brought him into the party. The Socialist movement must be incessantly strengthened by

EDUCATION.

Socialism is first of all an economic movement and to be a useful Socialist one must acquaint himself with working class economics, and the more knowledge he has of science and history the better. To obtain this knowledge he must read and study. As fully as he recognizes the evils of the present system he must understand how they arose and how they must be cured. Not less important than making a man a Socialist is making him a sound one, and to become that he must have access to sound literature. It is necessary, too that this literature be varied so as to suit all tastes and types of mind and that it be low in price in order to fit the pocketbook of
the wage-earner. It was in response to these two great needs of the right Socialist literature for propaganda and education that there grew up

_The Socialist Publishing House of Charles H. Kerr & Company_

This house is no new experiment. It was established here in Chicago in 1886, long before Socialism had taken any definite hold on the working class of America. Its early publications were in the line of "a religion that is rational and a rationalism that is religious." As early as 1891, however, Charles H. Kerr, who has been the manager of the publishing house from the beginning, awoke to the fact that the vital question to be fought out is not theological but economic. So from 1891 to 1898 most of the publications of this house were in line with the "Populist" revolt against the on-coming of the greater capitalism. In 1898 we established fraternal relations with the "Social Democracy," of which Eugene V. Debs was a director, and since that time our publishing house has been actively although unofficially identified with the Socialist movement of the United States. In 1893 the publishing house was incorporated without change
of name, and in 1898 it was placed on a co-operative basis, each purchaser of a $10.00 share being given the right to buy the company’s books at cost.

In 1899, with the money realized from the sale of the first few shares of stock, we brought out the first complete American edition of Engels’ Socialism, Utopian and Scientific, and from that time on, as fast as our always scanty resources made possible, we have been bringing the Socialist classics of Europe and the clearest writings of American Socialists within reach of the wage-workers of the United States.

No other Socialist publishing house in the world has a list of books that compares with ours.

The American movement will always owe a debt of gratitude to Comrade Eugene Dietzgen, now a resident of Germany, for his gift of the translations and electrotype plates of his father’s two volumes “Philosophical Essays” and “The Positive Outcome of Philosophy” and of the second and third volumes of Marx’s “Capital.” This was a free contribution to our work, and with this single exception, practically every book on our list has been paid for by the gradual subscriptions of single ten-dollar shares by the
Socialists of the English-speaking world.

Our annual sales of literature increased from less than $10,000 in 1899 to more than $60,000 in 1911.

BOOK DEPARTMENT.

Beginning with a few and not always closely related volumes, we have added little by little to our list until now it includes more than 175 different books, booklets, pamphlets, leaflets and other printed matter, all bearing on or related to the subject of Socialism and the coming revolution. One by one the classics of European Socialism have been imported, re-translated and revised when necessary, and published in handsomely printed and substantially bound volumes. Whenever possible we have obtained fresh translations by American Socialists, so that the works of foreign writers might be made perfectly plain to American readers and given a touch of “homeiness.” For example, take the case of that splendid work, “Socialism, Its Growth and Outcome,” written by the poet and agitator, William Morris, and the brilliant essayist, Belfort Bax. Up to a few years ago it cost $1.25 and had to be ordered from England with consequent delay and liability of loss in the
mails. We now publish it in a substantial, cloth bound, well printed volume at 50 cents retail, and stockholders buy it at 25 cents. Marx’s “Capital” likewise could be had only in an imported and faulty edition till this house put it out in three magnificent volumes translated by an American Socialist. Again, there is Karl Kautsky’s famous book, “The Class Struggle.” The former translation of it was rough, involved, and harsh to American ears. We had it translated by a Socialist teacher in a leading American college who put it into clear, crisp English. Notwithstanding its size, we sell it in a paper cover at only 25 cents retail, and stockholders secure it for half that.

Meantime, we have obtained the very cream of the output of American Socialist writers and students. It has been our endeavor to stimulate and encourage in every way possible the building up of a real American library of Socialism. The result achieved has been the astonishment of the international movement. For instance, it has been a matter of pride to us that we have been able to publish the incalculably valuable writings of Gustavus Myers. Only recently Kautsky, the German philosopher of Socialism, wrote to him:
"I am sure your 'History of the Supreme Court of the United States' will be of the same rank, value and importance as your splendid book on 'The History of the Great American Fortunes.' . . . IT IS QUITE ASTONISHING HOW THE SOCIALIST LITERATURE IN AMERICA GROWS. IT IS MUCH MORE IMPORTANT TODAY THAN THAT OF FRANCE OR ENGLAND. The movement is somewhat drastic from the theoretical point of view, but works like yours will help very much to make it in the same degree more scientific and clear as it becomes more powerful."

Small as has been our equipment and limited as our resources have been, our output has been steady and uninterrupted, and in the years since we began business has amounted to millions and millions of pieces of Socialist literature. The total amount would make interesting information but would be too costly to calculate. The United States have literally been flooded with literature from the house of Charles H. Kerr & Company. At first our business was confined almost exclusively to this country, but in recent years our sales in Canada, Mexico and England have been steadily increasing. London used to be the center for Socialist literature but now London orders from Chicago. A surprisingly large trade has also been built up with the comrades in Australia and New
Zealand, with South Africa coming up strong. The influence that this flood of literature has had on the working class movement of the world is incalculable. It is too early as yet to estimate its effects but when the silent social forces now gathering beneath an apparently calm surface begin to manifest themselves, the educational work that the Socialists of this country have performed through the medium of this publishing house will be plainly evident. Workingmen and women will know what to do and how to do it because they have read and pondered. Showing the remarkable demand for Socialist literature in recent years, in 1901 our receipts for books were $7,982.56. In 1907 they had grown to $22,174.31. In 1911 we distributed exactly $39,463.44 worth of Socialist literature—practically a five-fold increase in ten years.

MAGAZINE DEPARTMENT.

Besides the best Socialist books, we also publish the International Socialist Review, a monthly illustrated magazine whose growth has been without a parallel in the international Socialist movement, so far as we know. First issued in 1901, its circulation persisted in remaining around 3,000 for several years, and, though regarded as a use-
Shipping room of Charles H. Kerr & fancy but lots of books in sight,
Company, second floor, rear. Nothing with a big reserve stock upstairs.
ful publication, it was published at a constant loss and continued to be a heavy drain on the book business. This was no doubt due to the fact that its contents were calculated to appeal more to college professors than to the working people. It was limited mostly to theoretical discussions of an intellectual nature and took no decided stand for any particular policy. It finally became only too evident that the magazine was not reaching the working class but that it must be made to do so or given up entirely. A change of management was effected and in 1908 the REVIEW appeared in more attractive dress and took a stand for revolutionary principles on both the political and economic fields. The response was almost instant. Subscriptions began to pour in and words of encouragement and assurances of support came from every hand. In a few months the circulation of the magazine had doubled, in a year it had trebled, and it continued to multiply with the result that the circulation of the REVIEW today is MORE THAN FIFTEEN TIMES what it was only four years ago! These figures speak louder than any words could do as to whether the principles it stands for and the policy it pursues have the
MARY E. MARCY
Associate Editor International Socialist Review
19
support of the working class of America.

Today the REVIEW goes to 50,000 readers and there is abundant prospect that their number will be constantly added to, despite the fact that but little artificial stimulation has been applied to its circulation. So great was its growth in the first half of 1912 that we were encouraged to make a long-dreamed-of increase in size and from 64 pages it was enlarged to 80 pages, and then again to 100 pages, making the biggest Socialist magazine in the world. Believing that Socialism, as summed up in Marx's famous revolutionary slogan, "Workers of the World, Unite!" applies no less to economic than to political action, it has consistently stood for revolutionary unionism as well as revolutionary politics with the result that the more progressive labor organizations order it in monthly bundles for the benefit of their members just as the Socialist locals do. Illustrating its growth financially, revenue from the REVIEW in 1907 amounted to $2,533.26. Compare this with the 1911 receipts, which were $23,780.31, and one can no longer doubt that the REVIEW has "made good" as a revolutionary organ. These figures, both for our book and magazine de-
partments, are sufficient assurance that the publishing house of Charles H. Kerr & Company has from the first conducted

A SUCCESSFUL BUSINESS.

This does not mean, however, that it has trod a pathway of roses. Like most Socialist institutions, it was started on a “shoe string” and has been backed by more enthusiasm than money, so that its history on the financial side consists mostly of successive struggles with poverty and debt. Nor does “successful” here mean “big,” because as compared with capitalist publishing houses this company would be deemed trifling and insignificant. But this house has been a success from the start in that it has never been a burden or a drag on the party or the movement. It has paid its own way from the start and there is no reason to doubt that it will continue to do so. It has never bogged itself in a financial swamp from which the party has had to pull it out, and its assets have always been even with or ahead of its liabilities. Its management has entertained no illusions about the limitations of any enterprise under the capitalist system and from the first has recognized the fact that it must proceed according to business principles.
Up to the present, then, we have more than kept our heads above water, but now

WHAT ABOUT THE FUTURE?

Here is where we come to the meat of the matter—the heart of our discourse.

The Socialist party has grown.

The Socialist movement has grown.

Socialist sentiment everywhere has grown.

BUT our capital has remained almost stationary.

The trouble that we are now face to face with is just this:

With our output doubling every two years, with the demands made upon us several times as great as was the case a few years ago, we are provided with but little more than the same amount of working capital that we possessed when our business was half what it is now.

The issue, then, is plain: We must be provided with more of the sinews of war if we are to continue to play our part in hastening the coming revolution by printing the messages which bring hope and courage to the world's workers.
We can no longer struggle with present difficulties on the old basis.

To give an example of the way in which our problems have multiplied: A few years ago we could get along by printing editions of 1,000 or 2,000 copies of a book at a time.

Nowadays we must print 10,000 copies at a time to be able to secure the same prices and to be able to supply demands with promptness.

It is easy to see, therefore, how much money must be locked up in huge editions of printed and bound books which may be sold out at once or, on the other hand, may lie on our shelves for months, according to conditions peculiar to the Socialist movement.

Again, take the REVIEW: It has been enlarged by half its former size. That means more outlay for articles, for pictures, for printing, for mailing, and for clerk hire. And yet the subscription and bundle prices of the magazine remain just the same.

No Business Can Stand Still. We Therefore Must Either go Forward or Retrench.

Everybody knows that it costs much more to live than a few years ago. The cost of doing business has increased in the same proportion. We have sim-
ply gotten to the end of the old rope along which we have traveled for so many years, and a new piece must be tied on or we can go no further.

The Socialist movement is not a rigid thing. It is constantly expanding and discovering new truths. It has been our aim to keep up with the procession and interpret it as well as possible. New books, new messages, new interpretations, are from time to time necessary. But we cannot publish these without the wherewithal. We must refuse new and timely manuscripts, we must cut down the size and dispense with some of the attractions of the REVIEW, we may be forced to raise prices here and there, unless relief comes. In short, we must have more money to work with. There is a way you can help us get it without great sacrifice on your part.

WE WANT MORE PARTNERS.

Twenty-four hundred Socialists have each subscribed ten dollars or more to provide the capital needed to publish the REVIEW and the standard books of International Socialism. We now have a paid-up capital of about $37,000. Our authorized capital is $50,000. We have 1,300 shares of treasury stock for sale at $10.00 each. We expect to sell these to comrades who are in sympathy
with the work we are doing and who want us to succeed.

WE HAVE PASSED THE STAGE OF EXPERIMENT. The comrades who bought stock ten years ago took the risk of seeing their money lost in the vain attempt to put the publishing house on a self-supporting basis, now there is no such risk. Last year we cleared above all expenses more than six per cent on our capital. We used this to pay off loans. With $13,000 of new capital, it would be easy to pay dividends, if dividends were desired. But we promise none. We do not wish to have the stock held by those to whom dividends are the main consideration, since this might later on result in operating the publishing house for profit rather than for the purpose of hastening the Social Revolution.

DISCOUNTS ON BOOKS TO STOCKHOLDERS. The personal advantage derived from holding a share of stock is that each stockholder has the privilege of buying our books at a discount of forty per cent from retail prices; in other words, a stockholder buys a dollar book for 60 cents, a 10-cent book for 6 cents, etc. We pay postage or expressage, and a stockholder sending $10.00 or more at one
time for books to be sent in one pack-
age is allowed a discount of fifty per cent instead of forty per cent... It should be noted that these discounts apply only to retail, not to wholesale prices, and that we sell only our own publications.

THE MAIN REASON for buying stock is not the discount on books, though that is an incidental advantage. The main reason is that your ten dollars will help make certain the permanence and growth of our publishing house. The greatest danger to the Socialist movement, as Comrades Liebknecht, Debs and Russell have well pointed out, is from within. The danger is that in the political struggle the members of the Socialist Party may forget our ultimate aim, the abolition of wage-slavery, and become mere office seekers, ready to desert the field of the class struggle in the pursuit of votes, no matter how obtained. Our publishing house is the rallying point of the loyal revolutionists, it is the most important educational factor in recruiting more revolutionists. Therefore it is warmly loved and bitterly hated; it will be attacked with every possible weapon; its friends must and will defend it.
HOW IS THE COMPANY ORGANIZED?

If you are asking yourself this question, with a view of learning the condition, methods and management of the house, we would call your attention to the report of a committee elected to examine into its business and report to the Socialist party. This committee, composed of Clyde A. Berry, of Missouri, and Stephen M. Reynolds, of Indiana, completed its findings on May 6, 1912, and declared that "no Socialist publishing house has more open methods of conducting the publishing business than this one." This report was published complete in the June, 1912, number of the INTERNATIONAL SOCIALIST REVIEW, a copy of which will be mailed on request. As to the organization and condition of the company, it said:

"We find that the C. H. Kerr Co. had been doing business from 1886 to 1893 as a partnership, that in 1893 the company was organized under the laws of Illinois with a capital stock of $10,000, that the business of the company was owned practically by Charles H. Kerr individually, that about $9,500 of the $10,000 was owned by Comrade Kerr when incorporated and the bal-
ance by A. U. Hancock, that Comrade Kerr sold this stock and practically all the money was used in getting out books and these books were sold to stockholders at one-half ($\frac{1}{2}$) the retail price, that no other dividend was offered or promised.

"That the capital stock was increased, in due compliance with the laws of Illinois, in February, 1904, to $50,000$, and that stock has been sold since that time until now, May 4th, 1912. There are outstanding 3,688 shares of $10$ each. Of these Charles H. Kerr owns 1,137 shares, all strictly accounted for on the books of the company, the ownership accounted for according to business methods. That the other shares are owned by various persons, party locals, state organizations, etc., that the names of the owners are of record in the books of the company, and that are locals and branches owning 390 shares, 183 shares are owned by Socialist societies and individuals outside of the United States and 1,774 shares are held singly by individuals, about one-half of whom are party members. At the January, 1912, meeting of the stockholders of the 3,697 shares then outstanding, 2,507 shares were represented either in person or by proxy. That at that meet-
ing Charles H. Kerr held personally 1,137 shares and proxies for 1,282 shares. These proxies would seem to indicate that the holders are not hostile to the ideas of Comrade Kerr so far as the business of the company is concerned.

"We find from the books of the company that the statement following, published in the INTERNATIONAL SOCIALIST REVIEW, February, 1912, is true:

RECEIPTS DURING 1911.

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Book sales</td>
<td>$39,463.44</td>
</tr>
<tr>
<td>Review subscriptions and sales</td>
<td>22,006.03</td>
</tr>
<tr>
<td>Review advertising</td>
<td>1,774.28</td>
</tr>
<tr>
<td>Donations</td>
<td>33.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$63,276.75</strong></td>
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EXPENDITURES DURING 1911.

<table>
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<tr>
<th>Description</th>
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<tr>
<td>Manufacture of books</td>
<td>$13,752.48</td>
</tr>
<tr>
<td>Manufacture of Review</td>
<td>12,232.16</td>
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<tr>
<td>Wages</td>
<td>9,876.28</td>
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<td>Postage and expressage</td>
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<td>1,386.76</td>
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<tr>
<td>Review articles and photographs</td>
<td>1,032.10</td>
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<tr>
<td>Authors of books</td>
<td>1,903.25</td>
</tr>
<tr>
<td>Books purchased</td>
<td>631.53</td>
</tr>
</tbody>
</table>
Rent ...................... 1,160.00
Insurance .................. 85.80
Taxes ...................... 195.20
Miscellaneous expense .... 1,483.68
Interest ................... 198.05
Profit ..................... 2,241.19

Total .................... $63,276.75

"The profits of $2,241.19, together with $1,220 received during the year from the sale of stock, were used to pay off a bank loan of $1,000 and to reduce the loans from stockholders. The financial condition of the publishing house at the end of 1911 is shown by the following table of assets and liabilities:

ASSETS DEC. 31, 1911.
Cash on hand and in bank... $ 367.24
Books, bound and unbound . 8,308.22
Electrotype plates of books.. 14,258.76
Copyrights ................. 12,831.39
International Socialist Review 5,000.00
Accounts receivable ........ 695.95
Office furniture ........... 539.00

Total ........................ $42,000.56

LIABILITIES DEC. 31, 1911.
Paid-up capital stock ....... $36,970.00
Loans from stockholders ... 4,610.79
Accounts payable ........... 419.77

Total ........................ $42,000.56
“One loan of $500 has already been paid since the beginning of January, and others will have to be paid in the near future, so that most of the net earnings of the publishing house during 1912 will have to be used in this way.”

WHAT IS YOUR SHARE?

As already stated, the capital stock of the publishing house is divided into 5,000 shares of $10.00 each, 1,300 of which are still unsold. If you are a wage-worker, you will be doing your part by subscribing for a single share, and if you can not conveniently pay $10.00 at one time, we can receive your subscription to be paid at the rate of a dollar a month. On the other hand, there are a few comrades more fortunately situated who have taken each from two to thirty-five shares, and we shall gladly issue any number of shares not to exceed fifty to any comrade whom we know to be thoroughly in sympathy with the aims of the publishing house.

If you pay cash for one or more shares, it is only necessary to state the number desired and to remit ten dollars for each. If you wish to pay in monthly installments, use the blank on the next page.
CHARLES H. KERR & COMPANY,
118 West Kinzie Street, Chicago

STOCK SUBSCRIPTION BLANK

Comrades:—Enclosed find $1.00 as first payment on one share of stock in your corporation, value $10.00. I agree to pay the balance in nine monthly installments of $1.00 each. It is understood that while making these payments I shall have the privilege of buying books at the same discount allowed paid-up stockholders, and that when the full sum of $10.00 has been paid, I shall receive a certificate fully-paid and non-assessable.

NAME __________________________________________

ADDRESS _______________________________________

POSTOFFICE ___________________________ STATE _______